Desert Community Energy
Board Meeting Agenda
Monday, January 22, 2018
2:30 p.m.

Coachella Valley Association of Governments
73-710 Fred Waring Drive, Palm Desert
Suite 200 Conference Room
(760) 346-1127

THIS MEETING IS HANDICAPPED ACCESSIBLE.
ACTION MAY RESULT ON ANY ITEMS ON THIS AGENDA.

1. CALL TO ORDER

2. ROLL CALL

A. Member Roster P3

3. PUBLIC COMMENTS

This is the time and place for any person wishing to address Desert Community Energy on items not appearing on the agenda to do so.

4. BOARD MEMBER / DIRECTOR COMMENTS

5. CONSENT CALENDAR

A. Approve minutes of December 4, 2017 Desert Community Energy Board Meeting P4

6. DISCUSSION / ACTION

A. Update on Our Progress – Tom Kirk **P7**

RECOMMENDATION: Consider appointment of ex officio members.

B. Agreement with The Energy Authority consultant team to provide CCA Implementation, Wholesale Power Procurement, and Associated Technical Operating Services – Katie Barrows **P10**

RECOMMENDATION: Approve the attached Resource Management Agreement between Desert Community Energy (DCE) and The Energy Authority (TEA), and associated Task Orders 1 thru 5, to provide CCA launch, implementation, wholesale power procurement, and operational services for a Community Choice Aggregation (CCA) program. Authorize Executive Director to: 1) make changes to the contract language in consultation with the Chair; and 2) adjust the implementation and launch schedule as needed pending outcome of CPUC decision on Resolution E-4907.

C. Authorize Executive Director to Negotiate and Sign Agreements to Address Resource Adequacy Capacity – Katie Barrows **P99**

RECOMMENDATION: Authorize Executive Director to enter into negotiations and sign agreements with Southern California Edison (SCE) or other entities to enable future acquisition of Resource Adequacy Capacity as needed to meet DCE's regulatory obligations.

D. Authorize a Start-up Funding Agreement with Calpine Energy Solutions – Tom Kirk **P100**

RECOMMENDATION: Authorize Executive Director to sign an agreement with Calpine Energy Solutions for start-up funding for Desert Community Energy during Implementation.

7. INFORMATION

1) Attendance Roster **P101**

2) 2018 DCE Board Meeting schedule **P102**

8. ANNOUNCEMENTS

Upcoming Meetings at 73-710 Fred Waring Drive, Suite 200, Palm Desert

The next Board Meeting of Desert Community Energy will be on February 26, 2018 at 2:30 p.m.

9. ADJOURNMENT

ITEM 2A

DESERT COMMUNITY ENERGY

Board Meeting

January 22, 2018

Members	
City of Cathedral City	**Shelley Kaplan** Councilmember
City of Palm Desert	**Sabby Jonathan** Mayor
City of Palm Springs	**Geoff Kors** Councilmember

Staff
Tom Kirk, Executive Director
Katie Barrows, Director of Environmental Resources
Erica Felci, Governmental Projects Manager
Benjamin Druyon, Management Analyst
Linda Rogers, Program Assistant II

ITEM 5A

DESERT COMMUNITY ENERGY

Board Meeting Minutes

December 4, 2017

The audio file for this meeting can be found at: http://www.cvag.org/audio.htm

1. CALL TO ORDER

The meeting of the Desert Community Energy Board was called to order by Chair Kaplan at 2:30 p.m. on December 4, 2017.

2. ROLL CALL

Roll call was taken and it was determined that a quorum was present.

The record reflects that two of the cities, Palm Springs and Cathedral City, have completed adoption of their ordinance including the first and second readings. Desert Hot Springs and Palm Desert have not completed the adoption of their CCA ordinance but were in attendance. The votes of Palm Springs and Cathedral City are recorded. The advisory votes of Palm Desert and Desert Hot Springs are also shown.

Members Present	**Agency**
Councilmember Shelly Kaplan	City of Cathedral City
Councilmember Yvonne Parks (advisory) [arrived late]	City of Desert Hot Springs
Mayor Pro Tem Sabby Jonathan (advisory)	City of Palm Desert
Councilmember Geoff Kors	City of Palm Springs
Others Present	
Charlie McClendon	City of Cathedral City
Lauri Aylaian	City of Palm Desert
Ryan Stendell	City of Palm Desert
Jay Virata	City of Palm Springs
Jeff Fuller	The Energy Authority
Don Dame (*by phone*)	CVAG Consultant

CVAG Staff
Tom Kirk
Katie Barrows
Erica Felci
Benjamin Druyon

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS

This is the time and place for any person wishing to address Desert Community Energy on items not appearing on the agenda to do so.

5. BOARD MEMBER / DIRECTOR COMMENTS

No comments made.

6. CONSENT CALENDAR

IT WAS MOVED BY COUNCILMEMBER KORS, SECONDED BY COUNCILMEMBER KAPLAN, TO:

A. Approve minutes of October 30, 2017 Desert Community Energy Board Meeting

THE MOTION PASSED WITH 2 AYES. THE ADVISORY VOTE OF OTHER MEMBERS IS ALSO SHOWN.

Councilmember Shelly Kaplan	Aye
Councilmember Yvonne Parks (advisory)	Absent
Mayor Pro Tem Sabby Jonathan (advisory)	Aye
Councilmember Geoff Kors	Aye

7. DISCUSSION / ACTION

A. Update on Our Progress

Two cities, Palm Springs and Cathedral City, are full members having completed the second readings of their CCA ordinances. Palm Desert has the second reading of their CCA ordinance scheduled for December 14. Desert Hot Springs continued consideration of CCA until January 2018. Tom Kirk described the need to move forward with item 7B and file the Implementation Plan with California Public Utilities Commission before end of December if we are to keep to our schedule and launch in July 2018.

CVAG's new general counsel, Mike Jenkins, was introduced. Mr. Jenkins will be providing general counsel services to DCE. Announcement of PCIA hearing at SCE office in Irwindale on December 5; Chair Kaplan along with CVAG staff will attend.

[Councilmember Yvonne Parks arrived.]

B. Adopt Resolution 2017-01 Approving the DCE Implementation Plan and Authorize its Submittal to the CPUC

IT WAS MOVED BY COUNCILMEMBER KORS, SECONDED BY COUNCILMEMBER KAPLAN, TO CONDUCT A PUBLIC HEARING AND, UPON CONCLUSION, ADOPT RESOLUTION 2017-01 TO APPROVE THE DCE IMPLEMENTATION PLAN AND AUTHORIZE STAFF TO MAKE CHANGES AS APPROPRIATE TO MEET ALL REQUIREMENTS AND THEN SUBMIT IT TO THE CPUC.

THE MOTION PASSED WITH 2 AYES. THE ADVISORY VOTE OF OTHER MEMBERS IS ALSO SHOWN.

Councilmember Shelly Kaplan	Aye
Councilmember Yvonne Parks (advisory)	Aye

Mayor Pro Tem Sabby Jonathan (advisory)	Aye
Councilmember Geoff Kors	Aye

C. Consider Proposed Change to Joint Powers Agreement

IT WAS MOVED BY COUNCILMEMBER KORS, SECONDED BY COUNCILMEMBER KAPLAN, TO APPROVE A PROPOSED CHANGE TO THE JOINT POWERS AGREEMENT REGARDING WITHDRAWAL BEFORE LAUNCH, AS REQUESTED BY THE CITY OF PALM DESERT.

THE MOTION PASSED WITH 2 AYES. THE ADVISORY VOTE OF OTHER MEMBERS IS ALSO SHOWN.

Councilmember Shelly Kaplan	Aye
Councilmember Yvonne Parks (advisory)	Aye
Mayor Pro Tem Sabby Jonathan (advisory)	Aye
Councilmember Geoff Kors	Aye

8. INFORMATION

1) Attendance Roster

9. ANNOUNCEMENTS

It was announced that the next board meeting of Desert Community Energy would be Monday, January 22, 2017 at 2:30 p.m. at CVAG. A 2018 meeting calendar will also be distributed to the board.

10. ADJOURNMENT

The meeting adjourned at 3:15pm.

Respectfully submitted,

Benjamin Druyon
Management Analyst

ITEM 6A

DESERT COMMUNITY ENERGY

Board Meeting

January 22, 2018

Staff Report

Subject: **Update on Our Progress**

Contact: Tom Kirk, Executive Director (tkirk@cvag.org)

Recommendation: Consider appointment of ex officio members.

Background: Here is a brief summary of our progress since our December meeting and upcoming activities.

Status of City Approvals. Here is the status for each city:
Palm Springs – approved July 5
Cathedral City – approved July 26
Palm Desert – approved December 14
Indian Wells – voted to wait and see
Desert Hot Springs – city plans to wait and see; not on January 16, 2018 city council agenda
Blythe – may be interested at a later date
Rancho Mirage – Implementing a CCA with City of Lancaster/California Choice Energy Authority
Riverside County – Implementing their own CCA

As of December 14, Palm Desert is now officially a voting member of the Desert Community Energy Board.

Implementation Plan: The Board approved and authorized submittal of the DCE Implementation Plan on December 4, 2017. On December 8, 2017, California Public Utilities Commission (CPUC) staff released a draft proposed resolution that would delay implementation of Desert Community Energy and other CCA programs. CPUC Draft Resolution E-4907 was proposed to address concerns about Resource Adequacy as customers shift from Southern California Edison (SCE) and other investor-owned utilities (IOUs) to CCAs. Of greatest concern, the proposal imposes a delay to January 2019 on new CCAs or CCA expansions where implementation plans have not been filed as of Dec. 8, 2017; with no warning, this deadline was announced on December 8. Upon learning of this proposal, we immediately submitted our Implementation Plan to the CPUC on December 11, 2017.

If approved by the CPUC, the resolution would result in a minimum 6-month delay for DCE to begin serving customers. Under the proposed resolution CCAs that file their Implementation Plan after December 8 but by January 1, 2018 could begin serving load in January 2019. The CPUC was originally scheduled to consider this Resolution at their January 11, 2018 meeting but due to numerous requests, Resolution E-4907 has been postponed to the February 8 CPUC meeting in San Francisco. Two comment letters have been submitted to the CPUC on behalf of DCE; DCE also signed on to a joint letter with Western Riverside Council of Governments and Los Angeles County Community Energy (LACCE), submitted on the January 11 CPUC deadline.

Since this announcement, staff and Chair Kaplan have had conference calls with the CPUC Executive Director, Director of the Energy Division, and staff representing CPUC Commissioners to express our concerns about the surprise nature of this announcement and the process used to bring this proposal forward, with no consultation or input from the CCA community, or other affected agencies and stakeholders. We have also arranged to brief our local legislators on our CCA efforts and the negative impacts of the CPUC proposal.

The status of this proposal has not been resolved. We have been advised by CPUC staff to continue with our current implementation schedule and have been told that they continue to process our Implementation Plan, pending a decision by the CPUC on February 8. We will provide a thorough verbal update on this situation at the January 22 meeting.

PCIA/Exit Fee – CPUC Proceeding R. 17-06-026: The CPUC continues with the proceeding on the Power Cost Indifference Adjustment (PCIA), the "exit fee" charged to customers leaving the incumbent utility to join a CCA. The intent of the proceeding is to revise the methodology for calculating the PCIA. CVAG/DCE is a part to the proceeding and staff continues to be involved in meetings and workshops. A 2-day public workshop on January 16/17 provided a forum for discussion of data provided by the IOUs, cost responsibilities, and solutions to address concerns of utilities and stakeholders. The "exit fee" topic is ongoing and CVAG staff will continue to participate.

Community Outreach: The outreach team of Green Ideals and Burke/Rix Communications have prepared an introductory website and have begun development of DCE collateral and outreach materials. However, given the uncertainty introduced by the CPUC draft resolution, continued work on community outreach has been paused. The presentation on the marketing program requested by the Board at the December 4 meeting will be postponed to the February meeting.

In the near future, a full website will be unveiled that includes interactive features, information about electricity options (lower rates, 100% renewable), information for residential and business customers, a way to opt out, as well as background information about CCA. The website will launch in early 2018, coinciding with outreach materials mailed to individual customers. A Frequently Asked Questions/FAQ is available on the CVAG website to answer common questions about CCAs. The marketing team will also handle development of a brochure, collateral, and information for potential customers, including a minimum of four opt-out notices explaining how a CCA works and their choices to join the CCA or stay with SCE.

Other Steps to CCA Implementation. We continue to move toward our goal of launching the program in summer 2018. Coordination with SCE has been ongoing since 2016. SCE has reviewed the Implementation Plan and has developed a schedule for DCE to provide for launch in July 2018, pending the outcome of the Resolution E-4907 proposal. A kick-off meeting with SCE and our consultant team is scheduled for the end of January to initiate key launch activities, including customer data testing. Data management and customer services tasks will be handled by Calpine Energy Solutions which will coordinate closely with SCE.

Ex-Officio Members. Staff recommends that the Board consider appointment of ex officio members from cities interested in future participation in Desert Community Energy. The Joint Powers Agreement provides for appointment of ex officio directors who will receive all meeting notices, have the right to participate in Board discussions and the right to place items on the agenda but shall not be counted towards a quorum and shall have no vote. A recommendation has been placed on the agenda regarding such appointments.

Community Advisory Committee. At a prior meeting, the Board suggested that staff look into the potential for formation of a Community Advisory Committee. A number of existing CCA programs statewide have established Community Advisory Committees to provide input and guidance, assist with community outreach, and involve stakeholders in CCA implementation. At the direction

of the Board, staff will prepare a recommendation for an advisory committee and bring that back at a future meeting.

CVAG staff appreciates the commitment of time and valuable input by elected officials and jurisdiction staff throughout this process

Fiscal Analysis: No impact.

ITEM 6B

DESERT COMMUNITY ENERGY

Board Meeting

January 22, 2018

Staff Report

Subject: **Agreement with The Energy Authority consultant team to provide CCA Implementation, Wholesale Power Procurement, and Associated Technical Operating Services**

Contact: Katie Barrows, Director of Environmental Resources, CVAG (kbarrows@cvag.org)

Recommendation: Approve the attached Resource Management Agreement between Desert Community Energy (DCE) and The Energy Authority (TEA), and associated Task Orders 1 thru 5, to provide CCA launch, implementation, wholesale power procurement, and operational services for a Community Choice Aggregation (CCA) program. Authorize Executive Director to: 1) make changes to the contract language in consultation with the Chair; and 2) adjust the implementation and launch schedule as needed pending outcome of CPUC decision on Resolution E-4907.

Background: At the October 30, 2017 Desert Community Energy meeting, the Board authorized staff to negotiate an agreement with the TEA team and bring the documents back for approval. CVAG staff has been working with TEA to finalize these agreements, which are attached for your review. The tasks included in the Resource Management Agreement and five task orders for various CCA tasks to be performed by TEA and other consultants are briefly summarized below.

An essential CCA milestone is attaining business and technical capabilities in order to conduct CCA program implementation and launch activities, and to subsequently perform the full array of wholesale power procurement, scheduling coordination, customer service, credit support, California Independent System Operator (CAISO) interface and settlements, data interchange with Southern California Edison (SCE), load forecasting, legislative and regulatory involvement, resource planning, risk management, budgeting and rates, and other CCA related activities. Subject to CCA size and internal staffing, it is generally not cost effective to self-perform most of these tasks although the DCE Board and management has full authority and responsibility over all CCA business functions and outcomes. For certain infrastructure and program support, DCE intends to leverage available CVAG expertise.

For the more technically complex CCA program services, CVAG worked with WRCOG to issue a Request for Proposals (RFP) for CCA implementation and operations services during early 2017. CVAG and WRCOG staff conducted interviews during May and June May 2017 to select a consultant team to provide these services. CVAG staff notes special appreciation for the assistance of Cathedral City Manager Charles McClendon, DCE Chair Shelley Kaplan, and consultant Don Dame during the interview and selection process. The non-profit Energy Authority (TEA) and Calpine Energy Services (Calpine) were selected. The Energy Authority is a non-profit corporation providing wholesale power and portfolio management services to over 50 public power agencies across the country. TEA is currently providing implementation/operation services

to several other CCAs in California, including Redwood Coast Energy Authority, Western Riverside Council of Governments, and the City of Solana Beach. Calpine is a power supply and services company which also provides data management and coordination with SCE, and customer service support to CCAs. Calpine currently serves most if not all operating CCAs in California. Other members of the TEA/Calpine team include LEAN Energy US which provides assistance with CCA implementation and governance, and Green Ideals which has assisted many of the existing CCAs with outreach. CVAG completed a separate RFP process for a local firm to assist with marketing, branding, and outreach and selected Burke-Rix Communications to work with DCE and the TEA team on these CCA activities. Given their experience with CCA across the state and the issues and concerns of potential CCA customers, Green Ideals will work with Burke Rix and staff with outreach and marketing, including website development, on an as needed basis. CVAG will provide support staff to coordinate and oversee the activities of the consultant team.

TEA is the lead of this highly experienced consultant team. TEA and Calpine have offered an arrangement whereby DCE will not be required to pay for their services until the CCA commences electricity sales and collects revenue from customers. Under a separate agreement, Calpine will also provide up to a $500,000 fund to cover certain hard costs required for start-up (see Item 6D), including mailing four required opt-out notices to customers. Services provided by some of the subconsultants representing smaller firms can also be compensated through this fund.

Resource Management Agreement with The Energy Authority. The attached Resource Management Agreement (RMA) has been reviewed by CVAG staff and legal counsel. CVAG legal counsel worked with TEA's contracts office to resolve some questions and concerns and finalize the RMA and associated documents. The RMA provides for a range of services and is to be executed between DCE and TEA. TEA will be acting as the primary contractor in coordination with other members of the service provider team. The RMA includes multiple Task Orders and a Deposit Account Control Agreement. Each Task Order includes a scope of work. The component parts of the RMA are outlined below:

- Resource Management Agreement. The RMA creates the overarching framework for services provided to DCE**.** It has been structured with individual task orders for specific services as outlined below. The general requirements of the RMA apply to the services in each Task Order. In addition, from time to time DCE may require additional services that TEA may be willing to provide and/or coordinate. Any additional services may be added to the RMA through amendment to an existing Task Order or entering into a new Task Order that would be attached to the RMA, as approved by DCE and TEA. The RMA has a contract term of five (5) years.

- Task Order 1. Task Order 1 (TO1) addresses the scope of services required to prepare for CCA deployment up to and including program launch. Deliverables per TO1 include: coordination between DCE, TEA, Calpine, LEAN and others; facilitation with DCE JPA activities; preparation of DCE's Implementation Plan to be filed at the CPUC; preparation and submittal of requisite SCE notices and materials; California Air Resources Board (CARB) and Western Renewable Energy Generation Information System (WREGIS) registrations; initial rate activities and procurement planning; and other activities as warranted.

- Task Order 2. Task Order 2 (TO2) addresses the scope of services for DCE CCA program operations focused on power procurement and scheduling coordination. Deliverables per TO2 include: full-range power procurement activities including meeting Renewable Portfolio Standard (RPS) mandates and California Independent System Operator **(**CAISO**)** interface requirements; power accounting and settlements; credit support activities; load forecasting and tracking; CCR bidding and risk strategies; financial and technical service; establishment of billing and payment obligations; risk management policy and practices development; outline

of TEA hourly billing rates; other activities as warranted. TO2 also contain Schedule A indicating target lock box and reserve fund amounts.

- Task Order 3. Task Order 3 (TO3) addresses Data Management and Customer Call Center Services provided by Calpine Energy Solutions and as required by DCE for both Phase II (launch) and Phase III (operations). These services include the initial setting up and testing of requisite data transfer protocols between DCE and SCE, the ongoing monthly administration and data transfer associated with CCA billing activities, and call center/customer service functions including customer relationship management.

- Task Order 4. Task Order 4 (TO4) addresses the services provided by LEAN EnergyUS related to CCA program start-up, program and policy support and other activities as directed by DCE on a time and materials basis. It includes community outreach and marketing tasks including website development, branding, CCA messaging, development of collateral, and stakeholder outreach as requested by DCE. Community outreach and marketing will be handled by Green Ideals and BurkeRix Communications. Task Order 4 also includes the services of Braun Blaising Smith Wynne, a legal firm with significant CCA experience, on an as needed basis.

- Task Order 5. Task Order 5 (TO5) addresses the services provided by MRW to assist with load forecasts and prepare an Integrated Resource Plan (IRP) as required by the CPUC. As part of the IRP, MRW will work with TEA and DCE to develop a best resource mix, evaluate market conditions, and project portfolio options for DCE.

Conclusion: The Energy Authority and subconsultants bring together a team that provides a reasonable and necessary foundation and technical service suite for the successful launch and operation of DCE's CCA Program. Advantages in working with this team include their experience, their ability to provide their credit and upfront capital for power procurement, their knowledge of CCA best practices, and their collaborative approach to providing support for our emerging CCA.

At the time the agenda packet was finalized, some issues in the RMA and task orders remain to be resolved with TEA. The agreements included in the agenda packet may require minor changes pending final review and consultation with legal counsel and TEA. In particular, CVAG staff has not completed review of the proposed compensation for services included in Task Order 2. Any changes to the Resource Management Agreement and task orders will be presented at the January 22 meeting. Staff also requests that the Executive Director be authorized to make changes in consultant with the Chair if necessary.

Staff recommends the DCE Board approve the Resources Management Agreement and associated Task Orders with The Energy Authority, Calpine Energy Solutions, Lean EnergyUS, Green Ideals, and BurkeRix Communications to provide CCA launch, implementation, wholesale power procurement, and operational services for our CCA program. Given some uncertainty in our schedule pending the outcome of the Draft CPUC Resolution E-4907, staff recommends that the Board authorized the Executive Director to adjust the schedule for implementation tasks and consultant work as necessary.

Fiscal Analysis: The funding for CCA operations will come from payment of utility bills by customers once the CCA launch occurs and we begin serving customers. The initial expenses will cover the first months of operations, staffing, legal and other administrative functions until a revenue stream is established. A primary goal will be development of a reserve fund to hedge against changing conditions and to build credit worthiness for the CCA. CVAG is tracking all expenses related to initial formation of the DCE CCA; these costs would be reimbursed once the CCA collects sufficient revenues. CVAG, in concert with TEA, will track all TEA and subconsultant expenses prior to and after program launch. CVAG/DCE and TEA staffs will track such costs, prepare budget estimates and budget tracking procedures, and periodically report to the DCE

Board. CVAG and TEA staff will prepare a detailed repayment plan for cumulated CCA expenditures incurred during the pre-launch through approximately 3 months post launch period to be presented to the Board at a future meeting.

Contract Finalization: Authorize the Executive Director and/or CVAG legal counsel to make minor changes/revisions to the agreement as needed for clarification purposes.

Attachments:

1. Resource Management Agreement and associated task orders:
   Task Order 1 – TEA Scope of Work for Phase II Core Services.
   Task Order 2 – TEA Scope of Work for Phase III Core Services.
   Exhibit A - Deposit Account Control Agreement (sample)
   Exhibit B - Deposit Account Control Agreement (sample)
   Task Order 3 – Scope of Work for Data Manager Services - Calpine.
   Task Order 4 – Scope of Work for Services - LEAN.
   Task Order 5 – Scope of Work for IRP Services - MRW.

DRAFT

RESOURCE MANAGEMENT AGREEMENT BETWEEN THE ENERGY AUTHORITY, INC. AND DESERT COMMUNITY ENERGY

*** Subject to approval of DCE and TEA Boards of Directors.*

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EXHIBITS, SCHEDULES, and ATTACHMENTS:

Task Order 1 – TEA Scope of Work for Phase II Core Services.

Task Order 2 – TEA Scope of Work for Phase III Core Services.

Exhibit A - Deposit Account Control Agreement (sample)

Exhibit B - Deposit Account Control Agreement (sample)

Task Order 3 – Scope of Work for Data Manager Services - Calpine.

Task Order 4 – Scope of Work for Services - LEAN.

Task Order 5 – Scope of Work for IRP Services - MRW.

This RESOURCE MANAGEMENT AGREEMENT (this "Agreement"), dated this 22nd day of January 2018 (the "Effective Date"), is made and entered into by and between THE ENERGY AUTHORITY, INC., ("TEA"), a Georgia non-profit corporation and Desert Community Energy, including its successors and assigns ("DCE" or the "CCA"), a California joint power authority comprised of the Cities of Palm Springs, Palm Desert, and Cathedral City (the "CCA Members"). TEA and CCA are sometimes referred to herein individually as a "Party," or collectively as the "Parties."

Recitals

WHEREAS, DCE seeks to develop, finance, implement, and operate a Community Choice Aggregation program for its CCA Members and their residents (the "Purpose") and has solicited proposals from qualified entities to provide services related to the Project; and

WHEREAS, TEA in partnership with Calpine Energy Solutions, LLC ("CES"), MRW & Associates, LLC ("MRW") and LEAN Energy US ("LEAN") (collectively, CES, TEA, MRW, and LEAN shall be referred to herein as the "Core Team") submitted a proposal responsive to DCE's solicitation ("Proposal"); and

WHEREAS, TEA, CES, MRW, and LEAN have been selected by DCE to provide specified services (the "Services") that are consistent with the Proposal, to be provided under individual agreements and task orders entered into concurrently herewith by DCE between TEA, as contractor, and between TEA and CES, MRW, and LEAN, as sub-contractors; and

WHEREAS, the Core Team will provide such Services, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby mutually agree as follows:

1. **Recitals.** The foregoing Recitals are true and correct.

2. **Scope of Work.**

2.1 Task Orders. Pursuant to the provisions of this Agreement, TEA shall provide the Services to CCA as described in one or more task orders (each a "Task Order") to be executed by the Parties and attached hereto. Each Task Order by this reference is incorporated as part of this Agreement. The services provided pursuant to such Task Orders shall be outlined and descried in an individual "Scope of Services." The first of such Task Orders is attached hereto and incorporated herein as "Task Order 1."

2.2 Phases of Work. The Scope of Services may be divided in two or more separate phases (and sub-phases) with designated services and time periods (each a "Phase"), and proceed in chronological order, as appropriate. Accordingly, Task Order 1 will coincide with the services which are anticipated to be provided by TEA during Phase I (referred to as "Program Development") and Phase II (referred to as "Program Launch").

2.3 Subcontractors or Sub-consultants. For any individual phase, the Parties agree that the services contemplated under this Agreement, may be provided by a subcontractor or sub-consultant of TEA, which services may be described in an individual TEA Task Order. However, for the convenience of the Parties, services not covered by this Agreement or an individual Task Order may be provided through a direct agreement between CCA and the appropriate third party.

3. **Term and Effective Date.**

3.1 This Agreement shall become effective on the date written in the first paragraph of this Agreement (the "Effective Date") and shall remain in effect for a period of five (5) years (the "Initial Term") from the Effective Date, unless terminated as allowable in the Events of Termination Section herein. At the end of the Initial Term, the Agreement shall renew on an annual basis for successive one (1) year terms (each, a "Renewal Term"), unless otherwise agreed to by the Parties or terminated pursuant to the Events of Termination Section. Notwithstanding the aforementioned date, the commencement of services under this Agreement shall not occur prior to the date this Agreement is executed by both Parties.

3.2 Task Orders 1, 2, 3, 4, and 5 shall be executed by the Parties and become effective on the same Effective Date as this Agreement. However, the provision of Task Order 2 Services by TEA shall not commence until the later date of either Implementation Plan Certification by the California Public Utilities Commission, or March 26, 2018 (the "Phase III Commencement Date"). The provision of Services pursuant to any additional Task Order shall commence, and terminate, as provided in each respective Task Order.

4. **Events of Termination.**

4.1 Either Party may terminate this Agreement due to an Event of Default which is not remedied by the Defaulting Party as required by Section 25 ("Default"), or (ii) a Party's performance under this Agreement is prohibited due to a Change in Law (as defined in Section 32 herein). Either Party may elect to not renew this Agreement by providing a minimum of one hundred eighty (180) days' advance written notice prior to the end of the Initial Term (or any Renewal Term) to the other Party (the "Termination Notice Period") provided, however, that the termination date provided in a termination notice shall be selected to be the same date as the date that the CAISO makes the change in its official records to remove TEA as the CCA's Scheduling Coordinator ("SC"). During the Termination Notice Period, the Parties agree to cooperate with each other to terminate TEA's SC relationship with CAISO in an orderly manner and to protect the interests of the Parties consistent with the terms of this Agreement; including but not limited to, preparation and timely filing of notices and any other documents required by CAISO to affect such termination, including the provision of a replacement SC by the CCA, if required for termination of TEA's SC representation of CCA. To the extent that TEA has executed on behalf of CCA forward market transactions that extend beyond the termination date, CCA agrees to reimburse TEA for any charges incurred in the reasonable liquidation of such transactions, unless other arrangement are mutually agreed by the Parties.

4.1.1 During the Termination Notice Period, CCA shall continue to make payments to TEA as outlined in the Compensation section of the Task Order(s) in effect for the Services provided consistent with the payment provisions set forth herein. During the Termination Notice Period, TEA shall perform its services in a manner reasonably calculated to effect such termination in an orderly manner and to protect the interests of the Parties consistent with the terms of this Agreement.

4.2 Task Orders for services referred to in Section 2 ("Scope of Work") hereof may have shorter terms and different termination provisions than the Agreement. Termination of this Agreement shall serve to terminate any Task Order hereunder; provided that any such termination shall not relieve a Party from its obligations incurred prior to such termination.

4.3 The Parties' rights to terminate this Agreement provided in this Section 4 are in addition to the Parties' rights to terminate this Agreement as provided in the Default provisions contained herein.

5. **Compensation.**

5.1 Professional Services.

The basis for and amount of compensation due TEA for the services (the "Compensation") shall be as stated in each Task Order.

5.2 Expenses.

Unless otherwise agreed to in writing in accordance with a Task Order, CCA shall reimburse TEA for reasonable out-of-pocket expenses incurred or accrued by TEA in connection with the provision of Services. Out-of-pocket expenses include, but are not limited to, reasonable travel, business meals or per diem, transportation, lodging, and any other usual and customary business expenses ("Expenses"). Subject to CCA's pre-approval of such expenses, CCA shall also reimburse TEA for special or unusual expenses incurred by TEA in connection with TEA's performance of Services. TEA agrees to manage all Expenses in a prudent manner and will provide CCA with a reasonable accounting for all monthly out-of-pocket Expenses, if any, upon written request.

5.3 Taxes and Fees

Notwithstanding any terms or provisions in this Agreement or the Scope of Work to the contrary, CCA shall be responsible for and shall reimburse TEA for any taxes, including without limitation, sales, use, property, excise, value added and gross receipts levied on the services or Trading Products (as defined herein) provided under this Agreement, except taxes based on TEA's net income.

6. **Relationship of the Parties.**

6.1 Independent Contractor.

TEA shall perform the Scope of Work as an independent contractor and shall not be treated as an employee of CCA for federal, state, or local tax purposes, workers' compensation purposes, or any other purpose. The Parties acknowledge and agree that nothing contained in this Agreement shall be deemed to create or constitute an employer-employee relationship, a partnership, or a joint venture between the Parties.

6.2 Contract Administrators.

CCA and TEA shall each appoint a contract administrator that will be responsible for administering this Agreement (the "Contract Administrator"). The Contract Administrators for CCA and for TEA shall be identified in exhibits to this Agreement. Either Party may change its respective Contract Administrator by giving advance written notice to the other Party, consistent with the terms of the Notice Section of this Agreement.

6.3 Cooperation of Parties.

CCA shall cooperate with TEA in effecting the Scope of Services under each Task Order, and shall make authorized personnel of CCA available to TEA on reasonable notice and at reasonable times to assist in accomplishing the Scope of Services.

6.4 Non-Exclusive Relationship.

6.4.1 CCA hereby expressly acknowledges that part of the value of the services to be provided by TEA comes from TEA providing the same or similar services as contemplated under this Agreement to other entities. CCA acknowledges that the expertise and business plan of TEA requires that it be able to represent multiple parties and that the services rendered thereby are and may be beneficial to CCA.

6.4.2 Notwithstanding the nature of the Scope of Work, CCA specifically acknowledges that TEA is not precluded from representing or performing similar or related services for, or being employed by, other persons, companies or organizations.

6.4.3 CCA further acknowledges that TEA, from time-to-time, has established, or may establish, contractual relationships with users of power resources or natural gas, and generators or producers of such power resources or natural gas. Notwithstanding the existence of such contractual relationships, CCA desires the assistance of TEA as provided in this Agreement. CCA specifically represents to TEA that the existence of such contractual relationships does not in and of itself create a conflict of interest unacceptable to CCA.

6.4.4 The Parties specifically recognize and accept that there may be purchases and sales of power, natural gas, and financial instruments between and among TEA clients, including CCA, and that such transactions are the normal course of business in

providing the services and that such transactions do not create any conflict of interest for TEA in carrying out its obligations pursuant to this Agreement.

6.4.5 CCA agrees to consult, and establish guidelines, with TEA prior to entering into any transactions for wholesale energy products relating to the services provided hereunder, including but not limited to energy, capacity or transmission service and CAISO services or products.

6.5 Allocation of Trading Products.

6.5.1 CCA recognizes that from time to time the Trading Products (as defined herein) that TEA purchases or sells for CCA and other entities may require allocation of amounts available among all such entities including CCA. Decisions by TEA to transact CCA's Trading Products in the market will be made on a non-discriminatory basis and will be based on the same methods and procedures used to purchase or sell Trading Products on behalf of TEA's other clients that hold agreements similar to this Agreement.

6.6 Provision of Trading Services – TEA as principal in the transaction.

6.6.1 TEA shall provide trading services on behalf of CCA with TEA acting as principal in the transaction utilizing trading agreements between TEA and its counterparties (referred to herein as TEA "trading as principal"), including, but not limited to, transacting as principal in the transaction with third parties for electricity products or with the CAISO. Trading as principal shall include electric power, renewable energy credits, resource adequacy capacity, CAISO services, associated transmission, Transaction (as defined in Section 2 of Task Order 2) and other related or ancillary services (collectively, "Trading Products") between TEA and its counterparties. In performing such trading services, TEA will, on the terms and subject to the conditions set forth in this Agreement, be entitled to enter into matching purchase or sale transactions with CCA and third party transaction counterparties ("Transaction Counterparties") under which TEA may purchase Trading Products from CCA for resale to one or more Transaction Counterparties, or may purchase Trading Products from one or more Transaction Counterparties for resale to CCA (any such transaction with a Transaction Counterparty, a "Matching Transaction").

6.6.2 Unless otherwise mutually agreed to by the Parties, any Trading Products purchase or sale transaction between TEA and CCA under a Matching Transaction shall be on the same terms and conditions (except for billing and payment, which shall be pursuant to this Agreement) as the terms and conditions of the applicable Matching Transaction between TEA and the applicable Transaction Counterparty. In the event that TEA purchases Trading Products on behalf of CCA in a Matching Transaction, TEA shall resell such Trading Products to CCA at the same price as TEA paid for such Trading Products, and CCA shall pay TEA the amount payable

by TEA to the Transaction Counterparty and the amounts payable to any third parties related to the purchase of Trading Products, including, but not limited to, transmission service charges, transmission loss payment costs, CAISO fees and assessments, and the like, incurred by TEA. In the event that TEA purchases Trading Products from CCA for purposes of resale to a Transaction Counterparty under a Matching Transaction, TEA shall pay to CCA the amount paid by the Transaction Counterparty to TEA less the amounts payable to any third parties related to the purchase of Trading Products from the CCA and resale to the Transaction Counterparty, including, but not limited to, transmission service costs, transmission loss payment costs, CAISO fees and assessments, and the like, incurred by TEA.

6.6.3 Notwithstanding any other provision of this Section to the contrary, if the Transaction Counterparty to a Matching Transaction is another TEA client for which TEA is providing trading services, the price of the transaction shall be set at market.

6.6.4 Notwithstanding any terms of this Agreement or the Scope of Work, nothing contained in this Agreement or the Scope of Work hereto shall be construed as requiring TEA to execute any transaction as principal in the transaction where such transaction or traded commodity or instrument is regulated under regulations promulgated pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act").

6.6.5 CCA agrees to provide credit enhancement to support CCA-specific transactions executed by TEA as principal in the transaction, as more particularly described in the relevant Task Order. In the event that CCA is unable to provide such requested credit enhancement, TEA will attempt to source supply from CAISO, but only to the extent of TEA's credit limit with CAISO related to CCA transactions. In the event that TEA is unable to source supply from CAISO, then TEA shall have no obligation to proceed with any transaction in regard to which the enhancement was requested. To the extent that CCA prefers to enter directly into a contract with the counterparty, TEA may execute the transactions as CCA's agent, provided the counterparty's credit requirements are met by CCA. In any such case, CCA becomes the principal to the transaction with the counterparty and the counterparty relies on CCA's credit.

6.6.6 TEA shall not be liable to CCA for the failure of any counterparty, including but not limited to any Transaction Counterparty (i.e., when TEA is trading as principal in the transaction), to pay or perform on its obligations. In the event of such failure by a Transaction Counterparty, TEA shall pursue any action against such defaulting entity at the direction of CCA, at CCA's sole cost and expense. Pursuit of action may include, through legal counsel agreed upon by the Parties, filing a proof of claim, appearing or participating in a court proceeding, attending mediation, participating in dispute resolution, and facilitating a settlement, all at the direction

and expense of the CCA. For any such action, TEA shall pass through, with no-mark-up or fee, any such costs or expenses to the CCA. The CCA shall have the right to control settlement and resolution of any action.

6.6.7 Under no circumstances shall TEA be liable to CCA for the failure of CAISO to pay, or for assessments made by the CAISO for any of the CAISO's Scheduling Coordinators' failure to pay or perform, related to transactions with the CAISO performed on CCA's behalf by TEA as principal in the transaction (i.e., TEA acting as Scheduling Coordinator on CCA's behalf), unless such failure to pay or assessments result from TEA's breach of this Agreement, subject in all cases to the limitations contained in Section 8 hereof.

6.6.8 If CCA interrupts a financially firm sale transaction without the contractual right to do so, TEA shall use reasonable efforts to purchase replacement capacity and energy in the wholesale market place and deliver it. CCA shall receive any resulting gain or be responsible for any resulting loss on the transaction.

6.6.9 Unless otherwise mutually agreed to by the Parties in writing, TEA shall have no obligation to enter into transactions on behalf of CCA utilizing TEA's trading agreements that extend beyond the current termination date of this Agreement, which termination date shall be the last day of the current (i) Initial Term or (ii) if applicable, Renewal Term. If the term of this Agreement is terminated early due to an Event of Default other than bankruptcy, then for existing transactions, TEA and CCA will continue to operate under the terms of this Agreement with regard to such transactions until such time as the individual transactions terminate or are fully settled. Nothing in this Agreement shall prevent TEA and CCA from agreeing to settle any such transaction prior to the previously agreed settlement date of the transaction. Obligations between the Parties to pay for transactions or other Services effected or rendered hereunder shall remain in force notwithstanding the termination of this Agreement.

6.7 Provision of Trading Services – TEA as agent in the transaction.

As mutually agreed to in writing by the Parties, TEA will provide trading services pursuant to this Agreement by trading as agent for CCA utilizing trading agreements between CCA and its counterparties. CCA agrees that effecting a change from TEA trading as principal to TEA trading as agent under transactions made on CCA's behalf, does not release CCA from its obligations to TEA resulting from obligations incurred by TEA under transactions made while trading as principal.

6.8 Conditions Precedent to the Procurement of Power

6.8.1 TEA shall have no obligation to enter into an agreement to purchase (or deliver) power pursuant to the RMA or any individual Task Order, unless and until any Conditions Precedent identified by the Parties in such Task Order have been met.

7. **Indemnification.**

7.1 Subject to the limitations contained in Section 8 hereof, TEA and CCA, to the extent permitted by applicable law, agree to indemnify, hold harmless and defend the other Party and its respective officers, directors, regents, members, subsidiaries, affiliates, partners, and employees from any and all liabilities, claims, actions, legal proceedings, demands, damages, losses, penalties, forfeitures and suits, and all costs and expenses incident thereto (including, but not limited to, costs of defense, settlements and reasonable attorneys' fees), which the other Party may here after incur, become responsible for, or pay out as a result of the death or bodily injury to any person or the destruction or damage to any tangible property to the extent caused in whole or in part by, and in proportion to, any negligent or wrongful act or omission of the indemnifying Party, its employees, officers, directors, or agents in the performance of this Agreement. Neither Party shall be required to indemnify the other Party for liabilities, claims, suits, actions, legal proceedings, demands, damages, penalties, forfeitures and suits, and all costs and expenses incident thereto (including, but not limited to, costs of defense, settlements and reasonable attorneys' fees), to the extent caused by the negligence or wrongful act or omission of the other Party.

7.2 Notwithstanding the foregoing provisions of this Section, if either Party is prevented by operation of applicable law from obligating itself in any way described in this Section, then the same limitation shall be made applicable to the other party hereto, all to the end that the obligations of the one to the other with respect to the matters mentioned in this Section shall be identical.

8. **Limitation of Liability.**

8.1 TEA shall not be liable to CCA for errors made in the provision of the Services under each Task Order unless such errors are the result of gross negligence or willful misconduct on the part of TEA.

8.2 The cumulative maximum amount of TEA's liability in any 12-month term, if any, arising from any and all claims, lawsuits, actions, other legal proceedings by CCA or any other person or entity arising out of or in connection with TEA's performance or nonperformance hereunder, whether based upon contract, warranty, tort, strict liability, or any other theory of liability, shall be no more than the Compensation for actual work performed by TEA for Services hereunder (excluding payments made for (i) power supply and related credit support, (ii) electric transmission, and (ii) Expenses) for the preceding three (3) months in which the event leading to the claim occurred; provided, if the amount of Compensation for the subject year is not fully known at the time payment of such claim is due, then the payment will be based upon an estimate of the Compensation for the preceding three (3) months and the payment amount will be trued up to actual Compensation when such Compensation is fully known. If TEA should be liable to CCA pursuant to the provisions of this Section 8, payments shall be effected by offsetting monthly amounts due from CCA to TEA as set forth in the provisions relating to Compensation in the Scope of Services. If TEA terminates this Agreement during the period in which its liability payments to CCA are being offset against monthly amounts due from CCA to TEA, TEA shall be obligated to pay any remaining liability payments upon the effective date of such termination.

8.3 Neither CCA nor TEA shall be liable to the other Party for any indirect, consequential, incidental, special or punitive damages, of any kind or nature whatsoever, including but not limited to lost profits or revenues, lost savings, loss of use of a facility or equipment, or loss by reason of increased cost or expense; provided, however, that the foregoing shall not limit the enforceability of any provisions in any trading agreement that may apply to transactions between CCA and TEA. The provisions of this Section take precedence over any conflicting provision of this Agreement, any Task Order, or any document incorporated into or referenced by this Agreement or any Task Order.

8.4 TEA makes no warranties whatsoever, express or implied, regarding the services or performance thereof, including but not limited to any warranty of fitness for a particular purpose.

8.5 In providing Services under this Agreement, in no event shall TEA be liable to CCA or CCA Members for losses which CCA may incur by reason of engaging in risk management strategies recommended by TEA, whether or not implemented by CCA, or due to recommendations not made by TEA in the provision of risk management services.

8.6 Notwithstanding the foregoing, the Parties agree that CES, MRW, and LEAN (each a "Sub-Contractor") shall each be solely responsible for (1) any liability, claims, or damages related to their individual performance and delivery of services provided under Task Orders 3, 4, and 5, as appropriate; (2) their individual licenses and compliance with state and federal regulations; and (3) any additional obligations for services, as more particularly described in each such Task Order. Without prejudice to any remedies available under this Agreement, DCE shall notify TEA of any neglect, default, failure, or deficiency ("Deficiency") by a Sub-Contractor to perform services related to a Task Order, and TEA shall promptly notify such Sub-Contractor of such Failure for such Sub-Contractor to remedy such Deficiency with diligence and promptness.

9. **Notices.**

Any notices, requests, demands or other communications required to be given shall be in writing and shall be deemed to have been duly given if (i) delivered by hand, (ii) mailed by registered or certified mail, postage prepaid, or sent by a reputable overnight carrier such as FedEx, or (iii) sent by facsimile equipment providing evidence of successful facsimile transmission, and addressed to the Contract Administrator for the Parties at their addresses included in attachments to this Agreement, or such changed addresses as may be forwarded to the other Party, consistent with the terms of this Section ("Notices") of this Agreement.

10. **Proprietary Interest.**

TEA shall retain sole ownership of any patent, copyright, trade secret, trademark, or service mark that TEA has developed or acquired in providing the services under this Agreement. CCA acknowledges and agrees that TEA shall be the sole owner of any intellectual property rights developed by TEA under this Agreement and except as specifically set forth

below in this Section, CCA is not receiving any license to use any of those intellectual property rights. TEA shall have the right to use, license and receive royalties or fees for the use of any of the intellectual property rights developed by TEA under this Agreement. To the extent CCA is required to use any of TEA's intellectual property described above in this Section in connection with the matters described in this Agreement or in any Task Orders or Matching Transactions, then TEA hereby grants to CCA a non-exclusive, non-transferable, fully paid up limited license to use such intellectual property solely for those purposes, which license shall automatically expire on the later of termination of this Agreement, any outstanding Task Orders or Matching Transaction, as applicable. CCA represents and warrants that no state or federal funds or other support is being allocated or expended in connection with its performance under this Agreement which may provide any federal or state government, agency, or other entity any ownership, rights, licenses or other claims to any intellectual property developed by TEA under this Agreement. CCA expressly waives and disclaims any rights it may obtain to any intellectual property developed by TEA under this Agreement under any applicable federal or state laws, rules, regulations or other enactments.

11. **Billing and Payment.**

11.1 Billing and payment terms shall be as provided in each Task Order. Payments shall be made by electronic transfer as either an Automated Clearing House ("ACH") or wire transfer in United States Dollars. Each Party's banking information is provided in exhibits to this Agreement and a Party's account information may be amended by providing the other Party advance written notice.

11.2 Payments owed pursuant to this Agreement and not received when due shall be considered overdue. Interest will accrue on any unpaid amounts as of the day after the due date at a rate equal to the prime interest rate as established by PNC Bank, N.A. plus 300 basis points (the "Interest Rate").

11.3 In the event that any portion of an invoice related to a Matching Transaction is in dispute, then the dispute shall be governed by the dispute provisions of the market rules or contracts governing the specific transaction with the Transaction Counterparty.

11.4 In the event that any portion of an invoice for TEA's Compensation is in dispute, the undisputed amount shall be paid when due and payment may be withheld on the disputed amount. CCA shall notify TEA immediately of the reason for the dispute and the Parties shall cooperate to resolve the dispute. If either Party, after payment is made, discovers an error that is discernible from the terms of the invoice, the disputing Party has the right to dispute the error within one hundred eighty (180) days from the date of invoice or within one hundred eighty (180) days from termination of this Agreement, whichever comes first. Upon determination of the correct billing amount, if the disputed amount is found owing to the other Party, it shall promptly be paid to the other Party after such determination. For disputed amounts or billing errors that are discovered through the exercise of the audit rights pursuant to this Agreement, the other Party must receive written protest within one

hundred eighty (180) days from completion of an audit conducted pursuant to Section 22 herein.

12. **Reserve Account.**

The Parties agree that based on reasonable financial projections for the anticipated purchase and sale of power, CCA shall retain, fund, or otherwise set-aside monies from CCA Revenue into a designated commercial bank account at least equal to the required amount of reserves or capital necessary, as agreed upon by the Parties and described in such Task Order.

13. **Provision of Services by Third Parties.**

Unless expressly provided by the terms and conditions of this Agreement or a Task Order, TEA's business partners or other third parties (collectively, "Third Parties") which have been retained by CCA to provide services to CCA, are independent of TEA and not TEA's agents. The Parties hereby agree that TEA shall not be liable for (i) the performance of any services provided by Third Parties to CCA, or (ii) CCA's obligations to Third Parties.

14. **Standard of Care.**

The standard of care applicable to the provision of the services will be that of "Prudent Utility Practice." Prudent Utility Practice shall mean any of the practices, methods and acts that would be followed by a significant portion of the electric utility industry during the relevant time period, and in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could reasonably have been expected to produce the desired result consistent with good business practices, reliability, safety and expedition. Prudent Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a range of acceptable practices, methods or acts. Prudent Utility Practice does not exclude the possibility of unintentional errors, mistakes, or other foibles of human nature, for which a Party shall not be liable. Nothing in this Agreement shall be construed to create any duty to or any standard of care with reference to any person not a party to this Agreement.

15. **Successors and Assignment.**

15.1 Unless otherwise provided in the Scope of Services, neither Party shall assign nor delegate performance of its duties under this Agreement to any person or entity without the written consent of the other Party, such consent not to be unreasonably withheld, conditioned, or delayed.

15.2 Subject to the foregoing restrictions in this Section, this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their respective permitted successors and permitted assigns.

16. **Severability.**

If any provision of this Agreement shall be deemed invalid or unenforceable in any respect for any reason, the validity of any such provision in any other respect and of the remaining provisions of this Agreement shall not be in any way impaired.

17. **No Waiver.**

A provision of this Agreement may be waived only by a written instrument executed by the Party waiving compliance. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. Failure to enforce any provision of this Agreement shall not operate as a waiver of such provision or any other provision.

18. **Further Assurances.**

From time to time, each of the Parties shall execute, acknowledge and deliver any instruments or documents necessary to carry out the purposes of this Agreement.

19. **No Third Party Beneficiaries.**

Nothing in this Agreement, express or implied, is intended to confer on any person, other than the Parties, any right or remedy of any nature whatsoever, except for persons entitled to indemnification pursuant to Section 7.

20. **No Legal Services.**

No Provision of Legal Services by TEA. CCA acknowledges that, with respect to the services rendered or to be rendered by TEA under this Agreement: (i) TEA is not authorized to give legal advice and (ii) TEA does not intend to give and has not given CCA legal advice. CCA represents to TEA that CCA (i) has obtained and shall obtain legal advice from CCA's own legal counsel regarding the legal aspects of any advice given or services performed by TEA under this Agreement and (ii) has not relied and shall not rely on TEA for the giving of legal advice. CCA hereby waives and releases any claim that CCA may now or hereafter have that CCA has relied, directly or indirectly, on any advice given by TEA, or to be given by TEA, in connection with this Agreement as being in the nature of legal advice, and further waives and releases any claim for damages resulting therefrom.

21. **Resettlement.**

21.1 From time-to-time transactions that may have otherwise been fully completed and settled may be required to be resettled due to market rules (often in the case of RTO markets) or order of a court, regulatory authority, or other entity with jurisdiction to order such. If such resettlement related to any transaction performed by TEA on behalf of CCA results in a refund to TEA from a third party, TEA shall pay to CCA any such refund received by TEA. If such resettlement related to any transaction performed by TEA on behalf of CCA results in TEA owing an amount to a third party, CCA shall pay to TEA any such amount owed by TEA. This provision shall survive the termination of this Agreement.

22. **Audit Rights.**

During the term of this Agreement, and for one year following the effective date of termination, each Party may audit the other Party's books and records for the most recently past twelve month period for the sole purpose of verifying the calculation of payments made or received, including the calculation of pricing or Compensation due pursuant to this Agreement; provided that neither Party may conduct more than one such audit during any consecutive six-month period; and further provided that the Parties' audit rights under this Section shall not extend the period of any audit rights identified in a Task Order. Furthermore, following termination of this Agreement, neither Party may conduct more than one such audit during the one-year period referred to above. Any such audit shall be conducted at the audited Party's offices during its normal business hours, at the auditing Party's own expense. Copies of audit reports shall be provided to the non-auditing Party upon such Party's payment of copying and delivery costs. If following such audit, the Parties agree that any billing or payment in the previous year was incorrect, or it is otherwise found that such is the case, the Party owed such amount shall submit an invoice to the owing Party and the owing Party shall make payment of any undisputed amount no later than thirty (30) days after receipt of such invoice. Any such payments shall include applicable interest at the Interest Rate, accrued as of each payment's original due date.

Each Party shall maintain the confidentiality of the other Party's accounting records and supporting documents in compliance with the Confidentiality Section herein and shall use them only for the purpose of confirming the accuracy of billings and payments under this Agreement. In the event such information is required to be disclosed in a legal or regulatory proceeding, or otherwise required to be disclosed by law, the affected Party shall notify the other Party at the time of the request so that the affected Party may seek at its own expense to preserve the confidentiality of the information.

23. **Force Majeure Event.**

23.1 For purposes of this Agreement, "Force Majeure Event" means an event that prevents the claiming Party from performing any of its obligations under or in connection with this Agreement, that is not within the reasonable control of, or the result of the negligence of, the claiming Party, and that by the exercise of due diligence the claiming Party is unable to avoid, cause to be avoided, or overcome. Force Majeure Events may include, but are not restricted to: acts of God; acts of the public enemy, war, blockades, insurrections, civil disturbances and riots; epidemics; landslides, lightning, earthquakes, firestorms, hurricanes, tornadoes, floods, washouts, and extreme weather conditions; fire, explosion, breakage, freezing or accidents to machinery or lines of pipe; strikes, lock-outs or other industrial disturbances or labor disputes; labor or material shortage; sabotage or terrorism; and order or restraint by governmental authority (so long as the claiming Party has not applied for or assisted in the application for, and has opposed where and to the extent reasonable, such order or restraint).

23.2 Except as otherwise provided in this Section, neither Party to this Agreement shall be considered to be in default in performance of any obligation hereunder if failure of performance shall be due to a Force Majeure Event. A Party shall not, however, be relieved

of liability for failure of performance if such failure is due to events arising out of removable or remediable events which it fails to remove or remedy with reasonable dispatch. Any Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall exercise due diligence to remove such inability with all reasonable dispatch. Nothing contained herein, however, shall be construed to require a Party to prevent or settle a strike or labor disagreement against its will. Notwithstanding the provisions of this Section, payment of liquidated damages or penalties due to nonperformance under the terms and conditions of transactions entered into on CCA's behalf shall not be excused because of a Force Majeure Event.

23.3 If the claim of Force Majeure Event is in respect to any Matching Transaction or Trading Product, the Force Majeure provisions of the TEA trading agreement under which such Matching Transaction or Trading Product is provided shall govern such claim.

24. **Recording.**

24.1 Unless a Party expressly objects to a Recording (defined below) at the beginning of a telephone conversation between CCA and TEA, each Party (i) consents to the monitoring of, and creation of a tape or electronic recording ("Recording") by TEA of, all telephone conversations between the Parties to this Agreement, but only related to those individuals conducting CCA Transactions under this Agreement, (ii) agrees that any such Recordings will be owned by TEA, retained in confidence, secured from improper access, and (iii) acknowledges that such Recordings may be submitted in evidence in any proceeding or action relating to this Agreement. Each Party waives any further notice of such monitoring or recording, and agrees to notify its officers, employees, and agents of such monitoring or recording and to obtain any necessary consent of such officers, employees, and agents. The Recording, and the terms and conditions of a transaction discussed by the Parties in such Recording, if admissible, shall be the controlling evidence of the Parties' agreement with respect to a particular transaction between the Parties in the event a confirmation is not fully executed (or deemed accepted) by both Parties. Upon full execution (or deemed acceptance) of a confirmation, such confirmation, absent manifest error, shall control in the event of any conflict with the terms of a Recording.

25. **Default.**

25.1 Each of the following shall constitute an "Event of Default" with respect to a Party (the "Defaulting Party") under this Agreement:

25.1.1 the failure to make, when due, any payment or funding obligation required pursuant to this Agreement if such failure is not remedied within three (3) business days after written notice of such a breach;

25.1.2 any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated;

25.1.3 the failure to perform any material covenant or obligation set forth in this Agreement if such failure is not remedied within three (3) business days after written notice of such as breach;

25.1.4 the failure to perform any other obligation (i.e., other than a material or payment obligation) set for this Agreement, if such failure is not remedied within thirty (30) days after written notice of such as breach;

25.1.5 a Party becomes Bankrupt. For purposes of this Agreement, "Bankrupt" means with respect to either Party, the Party (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they fall due.

25.2 If an Event of Default with respect to a Defaulting Party has occurred, and if the Event of Default is not caused by a Force Majeure Event as described in Section 23 hereof, then the non-defaulting Party shall have the right to (i) suspend performance, (ii) designate an early termination date, or (ii) immediately terminate this Agreement subject to any surviving obligations. Both Parties shall continue to make payments then due or becoming due with respect to performance or payment obligations which arose prior to the date of termination.

26. Dispute Resolution.

26.1 Except as otherwise provided herein, the Parties shall act in good faith to first seek resolution of any dispute arising hereunder through negotiation between the operating personnel of each Party. If the dispute cannot be settled through such negotiations within a period ending no longer than thirty (30) days of the date on which one Party notifies the other in writing of a dispute, the senior executive officers (or their designees who shall be empowered with the same authority as the senior executive officers to settle such dispute) of each Party will personally and in good faith seek to resolve the dispute through negotiation one with the other for a period ending no longer than ten (10) days after the end of the 30-day period described above before resorting to any other dispute resolution procedure.

26.2 After the expiration of the periods described in Section 26.1, either Party may submit any disputes arising under this Agreement, which cannot be resolved by the Parties, to binding arbitration pursuant to the procedures in the Commercial Arbitration Rules of the American Arbitration Association (the "Rules"), which Rules shall apply to the extent not inconsistent with the following; provided, however, that the arbitration shall not be conducted under the auspices of the American Arbitration Association if the total amount in controversy, as of the date of serving the Demand for Arbitration, exceeds $300,000.

26.2.1 The arbitration process shall be initiated after the expiration of the forty (40) day period described in Section 26.1 by either Party delivering to the other a written notice pursuant to R-4 of the Rules.

26.2.2 The Parties shall select a single arbitrator with at least ten (10) years of professional experience in connection with similar transactions and who has not previously been employed or retained by either Party and who does not have a direct or indirect interest in either Party or the subject matter of the arbitration. Such arbitrator shall either be mutually agreed by the Parties within thirty (30) days after written notice from either Party requesting arbitration, or failing agreement, either Party may petition any Court with jurisdiction over the controversy to appoint such an arbitrator.

26.2.3 A preliminary hearing, by telephone only, may be conducted upon the agreement of both Parties. No preliminary hearing or administrative conferences shall take place unless by telephone. During any preliminary hearing or administrative conferences, the arbitrator shall direct the Parties' exchange of information contemplated by R-21 of the Rules.

26.2.4 The arbitration shall be held at a site to be determined by the arbitrator.

26.2.5 The arbitration shall be conducted according to the following procedures: (i) each Party shall divide equally the cost of the arbitrator and the arbitration and each Party shall be responsible for its own expenses and those of its counsel and representatives; and (ii) the details of any negotiation or offer of settlement made prior to arbitration and the cost to the Parties of their representatives and counsel shall not be admissible as evidence in the arbitration.

26.2.6 The decision of the arbitrator shall be final and binding on the Parties, enforceable in any court with jurisdiction.

26.3 Notwithstanding anything to the contrary contained herein, and regardless of any procedures or rules of the American Arbitration Association to the contrary, the Parties expressly agree that the following shall apply and control over any other provision in this Section:

26.3.1 The arbitrator shall have no authority to award punitive damages or attorneys' fees.

26.3.2 The Parties may, by written agreement signed by both Parties, modify any time deadline, location(s) for meeting(s), or other dispute resolution procedures set forth in this Section or in the Rules.

26.3.3 Time is of the essence for purposes of the provisions of this Section.

27. **Certain Representations.**

27.1 CCA represents that (i) CCA is authorized to enter into and execute this Agreement in connection with the Purposes stated herein; and (ii) CCA is either not subject to federal income tax or its income is exempt under Section 115 of the Internal Revenue Code.

27.2 Each Party represents and warrants to the other Party that it is and will remain duly organized, validly existing, and in good standing under the laws of the state of its organization throughout the term of this Agreement, and that the execution, delivery and performance of this Agreement are within its express or implied statutory powers, have been duly authorized by all necessary action, and do not violate any of the terms or conditions in its governing documents or applicable laws.

28. **Confidentiality.**

The Parties acknowledge that certain information and materials exchanged during the term of this Agreement, including this Agreement, may contain proprietary and Confidential Information of the disclosing Party. "Confidential Information" means and includes any and all information including, without limitation, trade secrets, analyses, compilations, forecasts, studies, techniques, plans, designs, cost data, pricing data, financial data, customer information and employee information, disclosed by a Party to the other party before, on, or after the Effective Date which relates in any manner, directly or indirectly, to the disclosing Party and/or its business, whether such information is disclosed in writing, verbally, electronically, or otherwise. Confidential Information shall specifically include, but not be limited to (i) any information disclosed in written form and clearly marked "Confidential" and (ii) information which would reasonably be considered proprietary, trade secret, and confidential. The receiving Party agrees that such Confidential Information shall be held confidential, to the extent permitted by law, under the same safeguards as it treats its own confidential information and that it will not use, copy or disclose the Confidential Information other than for the sole purpose of supporting or performing the services in connection with this Agreement. The Confidential Information may be disclosed to officers, directors, employees, agents, representatives or consultants (who shall agree to be bound by the terms of this Section) of the receiving Party on a need to know basis, and shall not be disclosed to any third party without first having obtained the written permission of the disclosing Party. Confidential Information shall specifically exclude any information which the receiving Party can show (i) was known to or was independently developed by the receiving Party without access to or use of the Confidential Information of the disclosing Party; (ii) was disclosed to the receiving Party in good faith by a third party who had the right to make such disclosure; (iii) was made public by the disclosing Party, or was established to be part of the public domain other than as a consequence of a breach of the Agreement by the receiving Party; or (iv) is independently developed by the receiving Party without use of the disclosing Party's Confidential Information as shown by documents and other competent evidence in the receiving Party's possession.

If the receiving Party is requested or required by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand, regulatory proceeding or similar legal or regulatory process to disclose any Confidential Information supplied to the receiving Party by the disclosing Party, the receiving Party shall provide the disclosing Party with prompt notice of such request(s) and adequate time for the disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Agreement. However, disclosure pursuant to a legal order or statutory obligation shall not constitute a breach of this Section. The Parties agree this Agreement and any Task Orders executed in connection therewith are subject to the requirements of the California Public Records Act.

29. **No Immunity.**

CCA is not entitled to claim immunity on the grounds of sovereignty or other similar grounds with respect to itself or its revenues from (i) suit alleging breach of this Agreement, (ii) jurisdiction of any court (unless CCA is not subject to jurisdiction of courts of another state), or (iii) execution or enforcement of any judgment to which TEA might otherwise be entitled in any proceedings nor may there be attributed to CCA any such immunity (whether or not claimed).

30. **Entire Agreement.**

This Agreement supersedes any and all prior or contemporaneous agreements, whether written or oral, between the Parties hereto with respect to the subject matter of this Agreement. Each Party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made with respect to the subject matter of this Agreement that are not embodied in this Agreement, including any Task Order or exhibits or schedules attached hereto.

31. **Governing Law and Forum.**

This Agreement shall be subject to and construed under the laws of the State of California without resort to its conflicts of laws principles. Subject to the requirements and conditions precedent of Section 26 (Dispute Resolution), any dispute relating to this Agreement may be brought in any court of competent jurisdiction.

32. **Compliance with Law.**

Notwithstanding any other provision of this Agreement, TEA and CCA shall at all times during the term of this Agreement comply with all applicable laws, regulations, orders and decrees of governmental authorities with jurisdiction If there occurs a material change in any law, order, or regulation (each a “Change in Law”) which prohibits performance by a Party (the “Affected Party”) under this Agreement beyond the effective date of such Change in Law, the Affected Party shall give the other Party (the "Non-Affected Party") at least thirty (30) days' prior written notice (the "Notice Period"). During the Notice Period, the Parties shall make a good faith effort to resolve the issue and minimize any such

economic impact caused by the Change in Law. If a mutual agreement is not reached, then early termination shall take effect as of the effective date of such Change in Law.

33. **Amendment.**

This Agreement may be amended only by an instrument in writing signed by the authorized representatives of both Parties. Task Orders, exhibits or schedules to this Agreement may be amended as set forth in such Task Order, exhibit or schedule.

34. **Counterparts.**

This Agreement may be executed by the Parties in one or more counterparts, each of which, when executed and delivered shall be an original, but all of which shall constitute one and the same instrument.

35. **Waiver of Jury Trial and Consent to Relief from the Automatic Stay.**

THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY TASK ORDER CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS, WHETHER VERBAL OR WRITTEN, OR ACTIONS OF EITHER PARTY. CCA FURTHER AGREES AND CONSENTS TO AN IMMEDIATE LIFTING OF THE AUTOMATIC STAY IMPOSED BY SECTION 362 OF THE UNITED STATES BANKRUPTCY CODE IN ANY BANKRUPTCY CASE FILED BY CCA WITH RESPECT TO TEA'S RIGHT TO PURSUE ITS REMEDIES AGAINST ANY COLLATERAL OR LETTER OF CREDIT SECURING THE INDEBTEDNESS FOR THE PROCUREMENT OF POWER. THIS PROVISION IS A MATERIAL INDUCEMENT FOR TEA EXECUTING THIS AGREEMENT.

36. **Equal Opportunity Employment.**

Each Party represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

37. **Task Orders, Exhibits, Schedules, and Controlling Terms.**

All Task Orders, exhibits, schedules and related attachments which are attached to this Agreement are incorporated by reference, as if set out in full herein. The provisions of each Task Order including exhibits, schedules and related attachments are subject to the Terms and Conditions of the RMA between the Parties. If any provisions of any Task Order including any exhibit, schedule or related attachment conflicts with any provisions in the RMA, the provisions of the RMA shall take precedence. If any provisions of Task Order 1 conflict with those of Task Order 2, the provisions of Task Order 2 shall take precedence over the Terms of Task Order 1.

38. **Authorization.**

The Parties hereby warrant that the persons executing this Agreement are authorized to execute and obligate the respective Parties, its successors and assigns, to perform under this Agreement in accordance with its terms. Each Party represents and warrants to the other Party that it is and will remain duly organized, validly existing, and in good standing under the laws of the state of its organization throughout the term of this Agreement, and that the execution, delivery and performance of this Agreement are within its express or implied statutory powers, have been duly authorized by all necessary action, and do not violate any of the terms or conditions in its governing documents or applicable laws.

39. **Acknowledgement of Parties.**

By executing this Agreement, each Party acknowledges having read this Agreement, and that, after a full opportunity to discuss the terms of this Agreement with any representative or counsel of the Party's choice, fully understands the Agreement and voluntarily enters into this Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names by their respective duly authorized representatives as of the date written in the first paragraph of this Agreement.

DESERT COMMUNITY ENERGY

By:_____

Name: _____

Its: _____

Date: _____

THE ENERGY AUTHORITY, INC.

By:_____

Name: _____

Its: _____

Date: _____

TEA Task Order 1 for
Phase II Core Services

TEA and DCE agree that the following terms and conditions constitute Task Order 1 for Phase II Core Services ("Task Order 1").

Section 1. Scope of Services for Phase I (Program Development)

This section is reserved.

Section 2. Scope of Services for Phase II (Program Launch)

During Phase II, TEA shall provide to DCE certain implementation services (hereinafter, the "Launch Services") on a time and materials basis. For purposes of this Task Order 1, the Launch Services offered by TEA are separated into and described in Section 2.1 (Phase II Support Tasks), Section 2.2 (DCE Implementation Plan and Regulatory Functions), Section 2.3 (CCA Organizational Infrastructure), Section 2.4 (Procurement and Vendor Engagement), and Section 2.5 (Rate Setting and Policies).

Section 2.1 Phase II Support Tasks

TEA will provide tasks to support early formation efforts and prepare for Phase III launch to include the following:

- Coordinate and refine, with DCE, Calpine Energy Solutions ("CES") and LEAN Energy ("LEAN") (hereinafter, the "Core Team"), a project timeline and detailed project plan for CCA formation and launch. This will include mapping all of the steps and timing of CCA formation through customer enrollment and into early operations.
- Assist DCE and LEAN, as necessary, with review of DCE's Joint Powers Agreement and suggested CCA-related policy additions to support long-term program operations and governance. This may include consideration of certain JPA subcommittees and policies specific to the CCA program.
- Assist DCE and LEAN, as necessary, with drafting reports related to governance and community outreach; and participate in DCE Board and other community meetings to present results.
- Implement a weekly calls and/or WebEx meetings with DCE and the Core Team, as necessary, to ensure all TEA tasks are assigned and major milestones are being met.

Section 2.2 DCE Implementation Plan and Regulatory Functions

2.2.1 DCE Implementation Plan

The DCE Implementation Plan (the "Plan") is a California Public Utilities Commission ("CPUC") requirement that covers the main aspects of the CCA plan of operations. It must be certified by the CPUC (within 90 days of submission) before the CCA can begin serving customers. TEA, in coordination with the Core Team, will draft the Implementation Plan in accordance with all CPUC requirements and established best practices. The DCE Implementation Plan will include a description of the following:

- Communities participating in the program, as determined by the passage of the necessary CCA ordinance;
- CCA's organizational structure, including the program's operations and funding;
- CCA's rate setting or pricing strategy, and other costs to participants;

- Disclosure and due process requirements in setting rates and allocating costs among participants;
- General description of CCA service offerings, including default supply product, voluntary green pricing option(s), and others, if applicable;
- Identification of customer programs that will likely be developed, including net metering, feed-in-tariffs, demand response, energy storage, or others;
- Description of CCA organizational structure;
- Methods for entering and terminating agreements with other entities;
- Participant rights and responsibilities;
- Procedure for termination of the program; and
- Description of third parties that will be supplying electricity under the program, including information about financial, technical, and operational capabilities.

2.2.2 DCE Regulatory Functions

The Parties agrees that certain regulatory steps must be facilitated during the Launch Phase and prior to Phase III (Program Operations) of the CCA. Accordingly, TEA will assist DCE with the completion of the following:

- Prepare for CAISO market participant requirements, including identifying agreements between DCE and CAISO necessary to prepare for Program Operations;
- Submitting a Statement of Intent with the California Public Utilities Commission ("CPUC");
- Additional registration requirements with the CPUC;
- Execution of CCA Service Agreement with SCE;
- Posting of credit collateral with SCE;
- Submitting a Binding Notice of Intent with SCE;
- Registration with California Air Resources Board (including CITSS registration); and
- Registration with Western Renewable Energy Generation Information System ("WREGIS").

Section 2.3 CCA Organizational Infrastructure

In order to implement an optimal organization that meets DCE's requirements, TEA will collaborate with DCE staff to ensure that DCE is well positioned for program launch and operations. This will include the development (or refinement) of a business operations plan, review of operational policies and procedures, committee structures and a staffing plan to ensure that all core functions are in place, either outsourced through the Core Team's services or augmented by existing DCE staff and administrative infrastructure.

Section 2.4 Financial, Negotiation, and Procurement Services Engagement.

2.4.1 Financial Services

DCE will require accounting, banking and auditing services for the CCA program in order to maintain separation of duties and fiduciary oversight. TEA, working in cooperation with the Core Team, is able to assist DCE in contracting for these services, to the extent such support does not create a conflict of interest.

2.4.2 Negotiation and Contracting Services

TEA will provide assistance with negotiations and contracting with existing or new local generation facilities, which DCE may elect to pursue. At the appropriate time, TEA will work with DCE to procure the legal services required, if any, to supplement this effort.

2.4.3 Procurement Services

TEA is a power marketer and certified CAISO Scheduling Coordinator. TEA has established credit facilities and contracts in place with an extensive list of market participants in California and Western energy markets that it will utilize in procuring all of the initial power supply needs of DCE including energy, resource adequacy and RPS. DCE will have full transparency into procurement efforts including the counterparties from whom TEA receives offers on behalf of DCE and the ultimate prices paid by TEA for the different components of DCE's power supply. The Parties agree that a separate Task Order 2 will need to be executed between the Parties prior to TEA beginning to procure power and negotiate any contracts needed to enable such power procurement.

Section 2.5 Rate Setting and Policies

2.5.1 Rate Setting, including policies to encourage distributed generation.

TEA will assist DCE with evaluating the factors involved in rate setting and rate policy making. TEA will assist DCE with a determination of (i) its overall revenue requirements, (ii) rates based on a method (or methods) of allocating the cost of providing service to support viable rates, (iii) development of the actual rates, and (iv) a verification method that the rates as designed will generate revenues sufficient to satisfy the overall revenue requirement for DCE.

2.5.2. Development of Retail Rates (First Step).

As a first step, TEA will assist DCE with evaluating all relevant cost data, including all applicable operating cost, capital cost, loan repayment, credit and reserve requirements. The revenue requirements will be allocated to the appropriate customer classes, which are currently expected to include the following classes (the "Customer Classes):

- Residential
- Residential CARE
- Small Commercial
- Medium Commercial
- Large Commercial
- Agriculture

Rates will be designed for each of the customer rate schedules that are consistent with the methodology employed by SCE so as to be comparable to SCE rates. TEA's recommendation is that a constant rate adjustment factor be applied uniformly across all rate classes to derive DCE generation rates. Testing will be conducted in order to verify that the rates will generate sufficient revenues to achieve the revenue requirements.

2.5.3 Development of FIT and NEM Rates (Second Step).

As a second step, TEA will assist with developing Feed in Tariff ("FIT") and Net Energy Metering ("NEM") rates that will be calculated using power cost data developed by TEA. A 100 percent renewable voluntary "opt-up" option may also be considered. TEA will work with DCE and other local parties to design FIT and NEM rates align with the goals and objectives of DCE and its member communities.

Within the second step, renewable rates will be developed for each of the Customer Class rate schedules identified in the initial step. TEA will provide the cost data for the resources used to meet these requirements, as well as estimated sales and load information to facilitate rate development.

Section 3. Term and Termination of Task Order 1.

Section 3.1 Term of Task Order 1.

This Task Order 1 shall become effective and Services pursuant to this Task Order 1 shall commence on the Effective Date of the Agreement, and shall continue until the Power Start Date (as defined in Task Order 2) (hereinafter, the "Task Order 1 End Date"). The expiration or termination of this Task Order 1 shall not affect the term of the Resource Management Agreement ("RMA").

3.1.1 Term of Phase I.

This section is reserved.

3.1.2 Term of Phase II.

Phase II shall commence on the Effective Date of the RMA and continue until the Task Order 1 End Date.

Section 3.2 Termination.

Either Party may terminate this Task Order 1 by either (1) terminating the RMA; or (2) terminating this Task Order 1 pursuant to the terms of RMA Section 4 ("Events of Termination") or RMA Section 25 ("Default").

Section 4. Compensation for Services Provided in Task Order 1.

Section 4.1 Compensation for Phase I Services.

This section is reserved.

Section 4.2 Compensation for Phase II Services.

For the Launch Services defined in Section 2 of this Task Order 1, TEA will record the hours expended on a time and materials basis for all activities associated with Section 2 based on TEA's Billing Rates (as provided in Section 8 herein) per hour incurred by TEA staff (the "Phase II Fees"). In consideration for the Launch Services performed by TEA hereunder, DCE shall pay TEA the amount of Phase II Fees.

Notwithstanding the foregoing, and provided there is no DCE Event of Default for either the RMA or this Task Order 1, the Parties agree to defer the amount owed to TEA for the Phase II Fees until Phase III. The amount owed by DCE for deferred Phase II Fees shall be amortized for payment in equal monthly amounts during the first 48 months of Phase III operations, unless otherwise mutually agreed by the Parties.

During the term of the RMA and this Task Order 1, compensation and fees owed to TEA, excluding the deferred Phase I Fees and Phase II Fees, will be adjusted on an annual basis by the greater of (i) 3% or (ii) the U.S. Government Consumer Price Index for All Urban Consumers (the "CPI-U") beginning on the second anniversary of the RMA Effective Date.

Section 5. Controlling Terms and Conditions.

The provisions of this Task order 1 are subject to the Terms and Conditions of the RMA between the Parties. If any provisions of this Task Order 1 conflict with any provisions in the RMA, the provisions of the RMA shall take precedence. Capitalized terms found in this Task Order 1, and not defined herein, shall have the meaning assigned to such terms in the RMA.

Section 6. Expenses and Reimbursement.

Actual out-of-pocket expenses for travel and participation in on-site meetings are in addition to the compensation outlined in Sections 1, 2 and 4 of this Task Order 1. Travel costs such as airfare, hotel, ground transportation, per diem or meals (hereinafter, "Expenses") will be billed in the amount incurred by TEA for actual out-of-pocket cost, without any additional mark-up by TEA. Any Expenses incurred shall be billed for the month in which the Expenses are incurred. Air travel will be purchased at coach class fares, with advance purchase discounted tickets used when scheduling permits. Expense reports detailing all Expenses, along with receipts, will be presented to DCE for reimbursement.

Section 7. Payment Terms.

Section 7.1 Billing and Payment.

TEA billable hours will be traced and itemized for each month for TEA services performed under Task Order 1. TEA will submit to DCE an invoice for such hours, plus Expenses, if any, on a monthly basis (the "Invoice"). Except as provided in Section 4 (deferred fees) of this Task Order 1 or otherwise agreed to by the Parties, DCE shall pay each Invoice for services provided by TEA under this Task Order 1 within thirty (30) days from the receipt of each Invoice, and will send payment either via electronic funds transfer or mail payment to:

The Energy Authority, Inc.
301 W. Bay Street, Suite 2600
Jacksonville, Florida 32202
Attention: Lisa Bailey, Accounting

Section 7.2 DCE Failure to Pay.

DCE's failure to make timely payments to TEA hereunder shall be considered a breach. In the event such breach is not cured within three (3) days following written notice by TEA, then DCE shall be in default (an "Event of Default"). Upon the occurrence of an Event of Default, TEA may, without prejudice to any other remedies:

(a) Apply any revenues or payments received by TEA for the benefit of DCE from any third party, if any, towards the outstanding amount owed to TEA;

(b) Apply any monies from security posted by DCE, if any, towards the outstanding amount owed to TEA;

(c) Defer collection or provide an extension of outstanding amounts owed to TEA; and/or

(d) Terminate this Task Order 1 and all services provided for herein pursuant to the process outlined in RMA Section 25.2.

Section 7.3 Late Payments.

Any payment that is not received (exclusive of deferred Phase 1 Fees and Phase II Fees) by TEA on or before the date required shall incur a monthly late fee, which shall be the total undisputed outstanding balance due multiplied by the 1.5% per month, or as allowable by state law (the "Late Fee").

Section 8. Billing Rates.

For all work performed by TEA under this Task Order 1, DCE will compensate TEA at the blended rate of $190.00 per hour for actual hours worked by TEA staff. From time to time, DCE may request, and TEA may provide DCE with, additional services not enumerated herein, and specifically described in a separate scope of work agreed to in writing by DCE and TEA. For such work, the B

TEA 2018 Billing Rates

TEA 2018 Billing Rates[(1)]	
Job Group	**Billing Rate $/hour**
Principal Consultant	$310
Senior Consultant/Project Manager	$265
Consultant	$195
Analyst	$155
Clerical	$95
[(1)]Billing rates are subject to change after December 31, 2018.	

Section 9. Functions Performed by DCE.

Unless otherwise mutually agreed to by the Parties, activities not expressly provided for herein are considered not within the scope of services for Task Order 1 and shall be performed by DCE or other third party, unless otherwise addressed in a separate Task Order.

Section 10. Amendment.

This Task Order 1 may be amended by an instrument in writing signed by each Party's authorized representative.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Task Order 1 to be executed in their respective names by their respective duly authorized representatives as of the date written in the first paragraph of this Task Order 1.

DESERT COMMUNITY ENERGY

By:_____

Name: _____

Its: _____

Date: _____

ATTEST:

By: _____

Name: _____

Its: _____

Date: _____

THE ENERGY AUTHORITY, INC.

By:_____

Name: Joanie C. Teofilo

Its: President and CEO

Date: _____

TEA Task Order 2 for
Phase III Core Services

TEA and DCE agree that the following terms and conditions constitute Task Order 2 for Phase III Core Services ("Task Order 2").

Section 1 Scope of Services for Phase III (Program Operations).

During Phase III, TEA shall provide to DCE certain program operation services (hereinafter, the "Operational Services" or "Program Operations") as more particularly described herein. For purposes of this Task Order 2, the Operational Services provided by TEA are separated into and described in Section 1.1 (Power Purchases and Policies), Section 1.2 (Program Administration and Compliance), and Section 1.3 (Support Tasks):

Section 1.1 Power Purchases and Policies.

1.1.1 Power Purchases.

Subject to Resource Management Agreement ("RMA") Section 6.6, TEA shall provide trading services on behalf of DCE with TEA acting as principal in the Transactions utilizing trading agreements between TEA and its counterparties, including but not limited to, transacting as principal in the Transaction with third parties or with CAISO. "Transaction" means the purchase and sale of electricity products, including energy, resource adequacy capacity, ancillary services and renewable energy credits. Except as otherwise agreed to by the Parties, DCE will transact with TEA for all of its wholesale power requirements. DCE agrees that as long as TEA is providing trading services, as principal, DCE will not (i) execute a Transaction with another PPA Provider, or (ii) grant a security interest, other than to TEA, in the Lock Box or Reserve Account.

1.1.2 Policies and Guidelines.

TEA will work with DCE to establish prudent power procurement policies, risk management policies, credit policies, and long-term hedging guidelines. DCE policies will include the following:

- Minimum and maximum hedge volumes by tenor which are dependent on expected headroom and opt-out rates;
- Maximum hedge tenor;
- Credit exposure metrics with policies to remediate exposure when necessary;
- Minimum financial reserve targets held by DCE once operations commence and traditional commercial bank credit facilities become available; and
- Other policies as deemed appropriate through discussions between the Parties.

Section 1.2 Program Administration and Compliance.

1.2.1 Regulatory and Legal Compliance.

TEA will coordinate with the Core Team to provide the following:

- Relevant regulatory and legislative monitoring as it affects CCAs in California;
- Monthly and annual Resource Adequacy ("RA") showings to the California Public Utility Commission ("CPUC"); and

- Monthly and annual load forecasts to the CPUC and/or California Energy Commission ("CEC").

In addition, TEA will coordinate with the Core Team to prepare and submit compliance filings to the appropriate regulatory bodies as follows:

- Annual Renewable Portfolio Standard ("RPS") Progress Reports and RPS Procurement Plans;
- Additional CPUC reporting including Annual EPS Attestation and Annual SSP filing;
- Additional CEC reporting including Historical load, Year-Ahead load forecasts, Integrated Energy Policy Report ("IEPR") as applicable, routine quarterly reporting and annual power mix report;
- Greenhouse Gas ("GHG") Annual Summary;
- Storage Biennial Progress Report; and
- Re-certification of CCA Implementation Plan, as needed.

TEA will monitor regulatory and compliance obligations and requirements associated with operating in the CAISO market. This effort includes performing a cross audit of supplier RA plans on a monthly basis. As Scheduling Coordinator (as defined by CAISO), TEA will collect all RA Supply Plans from the market and will settle any disputes in the RA showings with the supplier, CAISO and/or CPUC, as needed. This process is repeated monthly. As the SC, TEA will also perform the same cross audit function for the annual RA plan.

DCE and TEA recognize that the regulatory and legal compliance tasks outlined in this Section 1.2.1 will require the collective efforts of the Core Team.

1.2.2 Policy and Program Development.

TEA will work with DCE and the Core Team to design and expand programs appropriate for the customer base and load profile for DCE Members. These programs may include local renewable energy procurement, demand response, energy efficiency, energy storage, and other financially sound energy-related programs.

1.2.3 Ongoing Communications and Outreach to CCA Customers.

During the term of this Task Order 2, TEA will support efforts by DCE and the Core Team to develop promotional outreach materials, enroll additional cities, and expand DCE service to new communities by providing requested DCE data and information in the possession of TEA regarding energy services.

1.2.4 Accounting Services.

During the term of this Task Order 2, TEA will support DCE and the Core Team by providing requested DCE data and information in the possession of TEA necessary for financial accounting, settlement, DCE audits, or to support ongoing DCE operations.

1.2.5 Wholesale Power Procurement Operations.

TEA will be the Scheduling Coordinator ("SC") in the CAISO market and will provide a comprehensive suite of SC and related services to fulfill the requirements of a SC. TEA will conduct the following activities while performing its duties and responsibilities as SC on DCE's behalf:

- **Maintain credit facilities with CAISO**. Subject to Section 2.0 contained herein, TEA will maintain credit with the CAISO sufficient to make payments to, and receive payments from, the CAISO on DCE's behalf.

- **Provide daily forecast of DCE hourly loads**. Each business day, TEA will generate an hourly forecast of loads for the next 7 days for DCE.
- **Submit demand bids to Day Ahead ("DA") market.** TEA will submit Demand Bids to the CAISO Day Ahead Market to meet DCE's forecasted load requirements. TEA will monitor and compare Demand Bid information resident in the CAISO portal with submitted information and use commercially reasonable efforts to validate Day Ahead Market data submissions.
- **Submit supply bids to DA market (both economic and self-schedule)**. To the extent that TEA enters into agreements on behalf of DCE, or DCE directly enters into agreements with generators to acquire the output of a specific generating resource, TEA will provide the scheduling and settlement activities required to schedule DCE's supply agreements with CAISO. For any supply agreements linked to a specific generation source, DCE will require its counterparty to provide TEA with a forecast of expected hourly generation levels that TEA will use in submitting day-ahead supply offers to CAISO.
- **Register and maintain Commercial Model and Resource Adequacy ("RA").** TEA shall assist DCE in identifying DCE's information required to register and maintain DCE's assets, if any, in the CAISO commercial model. TEA shall assist DCE in identifying DCE's information required to comply with CAISO's resource adequacy requirements in accordance with Section 40 of the Tariff.
- **Settlement validation and allocation of costs**. TEA shall use reasonable efforts to validate CAISO invoices. Should TEA and DCE elect to dispute a CAISO invoice amount, TEA will file a dispute with CAISO pursuant to the CAISO tariff. Once a dispute determination has been made by CAISO, further appeals or action from TEA on DCE's behalf would be provided as requested and paid for by DCE on a time and materials basis using the billing rates provided in Section 8 herein.
- **Congestion Revenue Rights ("CRR") bid strategy development and implementation.** TEA will manage the annual CRR nomination and allocation process on behalf of DCE. Annually, TEA will provide DCE with an estimate of the dollar value of the potential CRRs based upon historic and forecasted Locational Marginal Prices for the source and sink pricing nodes associated with the applicable source and load pricing nodes, and TEA will consult with DCE to select the CRRs to nominate. Selection of any CRRs to nominate will be at DCE's sole discretion. TEA will nominate any CRRs selected by DCE and TEA will notify DCE of the CRRs awarded to TEA for DCE's account. TEA will review the settlement statements and invoices associated with the CRRs for accuracy.
- **CAISO Market Monitoring**. TEA will monitor the following CAISO committees and participate (in person or via phone) in the committee meetings and provide a summary to DCE of any discussion items that it reasonably believes may impact DCE's planned operations.
    - Market Surveillance
    - Audit
- **Perform Additional Tasks.** In addition to the above, TEA will provide the following:
    - Import schedule, as required, including preparing e-tags.
    - Coordination of unit outages with generation operators and CAISO.
    - IST for system power transactions.

1.2.6 Long-term Power Procurement.

Consistent with DCE's renewable and GHG goals, its Integrated Resource Plan and hedging strategies developed pursuant to this Task Order 2, TEA will issue RFPs for power supplies, as well as assist with evaluating bids and assist with negotiating power purchase agreements.

1.2.7 Financial Planning.

TEA will develop and maintain a financial model of DCE's income and cash flows that will form the basis for a variety of applications including, but not limited to, annual budgeting and financial planning, ongoing risk analysis (both retail rate competitiveness and wholesale market risks), as well as form the basis for establishing DCE's annual revenue requirement. TEA anticipates that the rate design modules developed under Task Order 1 will be integrated with this financial planning model. TEA will include the following:

- **Financial Model:** TEA will build a financial model of DCE's financial projections which typically include load, resources with associated costs, market prices, various fixed costs and CAISO fees, executed short-term market transactions and any other variables, as necessary, to inform a complete cost picture for DCE. TEA will coordinate with DCE staff on all necessary inputs required to derive an accurate financial projection.

The financial model will be updated daily with the most recent market price information and hedge transactions. DCE will have on-demand access to the most recent financial model runs through a web portal.

- **Risk Model:** TEA has developed a modeling framework that will be applied to its risk analysis for DCE. The risk model generates scenarios by using inputs for several variables that may include market implied heat rates, natural gas prices, power prices, load variables, and other relevant inputs.

The risk model will be used as an important component to the entire risk management function, including calculating potential variability in DCE's cash flows. This information will be used in assessing the need for short-term hedging transactions, establishing adequate financial reserve funds, and for setting retail rates.

- **Monthly Risk Reports:** TEA will create monthly risk reports that will measure DCE financial performance and potential uncertainty therein. These reports will then inform discussions with DCE as part of the continual risk management process.

1.2.8 Undertaking Continual Risk Management.

TEA will assist DCE in establishing a formal framework for performing continual risk management that will be memorialized through a DCE Board of Directors-approved risk management policy and procedures document. TEA will also assist DCE in drafting risk reporting requirements. TEA will be available on a monthly basis for a meeting with DCE during which time CCA-related risks are reviewed, discussed, and as appropriate, risk mitigation strategies are reviewed and approved by DCE. The monthly meetings will include the appropriate DCE staff and TEA staff. TEA will compile all risk-related information available into a single document or presentation that can be reviewed and discussed at the monthly meeting. Upon approval by DCE, the results of the monthly meeting will serve as the approved strategy guide for TEA market activities on behalf of DCE for the prompt quarter. This agreed upon strategy will be prepared consistent with reliability requirements, DCE renewable and GHG goals, financial goals and risk policies and procedures. The strategy will incorporate TEA's current market

outlook and discussion of expected DCE loads and resources. The Parties agree no strategy will be adopted which violates the risk policies of DCE or TEA.

Section 1.3 Additional Phase III Support Tasks.

TEA will provide additional Phase III tasks to include the following:

- Continue to coordinate and refine, with DCE and the Core Team, a project timeline and detailed project plan for CCA operations.
- Continue to assist DCE and the Core Team, as necessary, with review of DCE's Joint Powers Agreement and suggested CCA-related policy additions to support long-term program operations and governance. This may include consideration of certain Joint Powers Agency subcommittees and policies specific to the CCA program.
- Continue to assist DCE and the Core Team with community outreach; and participate in DCE Board and other community meetings, as necessary.
- Continue weekly calls and/or WebEx meetings with DCE and the Core Team, as necessary, to ensure all TEA tasks are assigned and major milestones are being met.
- Continue to assist DCE with ongoing regulatory functions.
- TEA will provide assistance with negotiations and contracting with existing or new local generation facilities, including direct DCE counterparties, if any, which DCE may elect to pursue.
- Continue to assist DCE with evaluating the factors involved in rate setting and rate policy making.

Section 2. Credit Support.

During the Term of Task Order 2, DCE will acquire and provide credit support for power transactions, ancillary services, and related attributes (hereinafter, "Transactions") made by TEA on behalf of DCE. Notwithstanding the foregoing, and subject to the requirements described below, TEA will, during the Term of this Task Order 2, provide a credit solution to enable DCE to transact with wholesale market participants, including CAISO, for the procurement of power and related attributes on behalf of its DCE Members. This credit solution is subject to DCE meeting certain obligations, and establishing certain accounts and funding, as more particularly described in Sections 2.1 and 2.2, contained herein.

Section 2.1 Lock-Box Pledge Account.

Providing the credit solution is subject to the following Lock-Box Account requirements and DCE obligations:

(1) DCE hereby grants a present and continuing first priority security interest in and lien upon the funds, which are deposited by SCE from payments by DCE customers, in a lock box pledge account (the "Lock Box Account") as funding for ongoing energy purchases made by TEA on behalf of DCE. Accordingly, prior to TEA entering into Transactions on DCE's behalf, DCE shall execute and deliver a deposit account control agreement, substantially in the form attached hereto as Exhibit "A" (the "Control Agreement"), and other agreements as may be required. DCE shall direct SCE to deposit such funds and payments only in the Lock Box Account. The Lock Box Account shall be held at a commercial bank regulated by the Federal Deposit Insurance Corporation ("FDIC") and the Office of the Comptroller of the Currency ("OCC") (the "DCE Bank"). In addition, at all times the DCE Bank shall meet the following requirements: (i) the bank's lowest long-term deposit rating among Standard & Poor's, Moody's, and Fitch Rating Services must be at least an "A" or "A2" as applicable, (ii) the bank shall have assets of at least $500 million, and (iii) the bank shall be a U.S. bank willing to issue standby letters of credit (the "Minimum Requirements"). DCE agrees that all funds transferred from SCE shall be first deposited in the Lock Box Account and that the priority of disbursement of funds from the Lock Box Account is such that no

disbursement of funds shall be made prior to sufficient funding of the electronic withdrawals (i.e., direct debit or ACH payment) by TEA for billed power purchases (i.e. for weekly CAISO Transactions and monthly Bilateral Transactions) for prior month(s) activity and the current month estimated Transactions ("Power Payments"). Payments shall be applied to oldest aged invoices first. On a monthly basis, DCE shall not make payments or pre-payments to any third party prior to paying TEA for Power Payments.

(2) During the Initial Term, DCE shall fund the current month, and any past due, Power Payments from the Lock Box Account. In addition, during the first seven months of power procurement, DCE shall retain excess funds in the Lock Box Account to establish a minimum balance of at least $4.0 million dollars (the "Operating Funding") by the end of the first seven months. DCE shall fund such Operating Funding as described in the Target Columns (a) and (b) on Schedule "A" attached hereto. After the seventh month, DCE shall continue to maintain a minimum daily balance at least equal to the Operating Funding (after the funding of all Power Payments) for the duration of the Initial Term. DCE shall provide TEA with the continuous ability to view the activity and balance of the Lock Box Account.

Section 2.2 Reserve Account

Providing the credit solution is subject to the following Reserve Account requirements and DCE obligations:

(1) DCE hereby grants a present and continuing first priority security interest in and lien upon (including the right of setoff against) the funds which are deposited by DCE in a reserve account (the "Reserve Account") as security for power purchases made by TEA on behalf of DCE. Accordingly, prior to TEA entering into Transactions on DCE's behalf, DCE shall execute and deliver a deposit account control agreement, substantially in the form attached hereto as Exhibit "B" (the "Reserve Control Agreement"). The Reserve Account shall be held at the DCE Bank in compliance with the Minimum Requirements. The Reserve Control Agreement shall limit the use of funds in such Reserve Account (i) to support counterparty or CAISO requests for collateral, (ii) for reimbursement in the event of a third party default, (iii) in the event the Lock Box Account is not sufficiently funded to pay for monthly Transactions; (iv) TEA's request for collateral in the event of a material adverse change in DCE's financial condition; or (v) for other purpose as mutually agreed by the Parties in writing. DCE shall provide TEA with the continuous ability to view the activity and balance of the Reserve Account.

(2) During the first twelve months of power procurement by TEA, DCE will deposit funds in the Reserve Account such that at least $13 million dollars (the "Reserve Requirement") is in the Reserve Account at the end of the first twelve months, and maintain such Reserve Requirement thereafter. During the first twelve months of operations, DCE shall fund such Reserve Requirements as described in the Target Columns (c) and (d) on Schedule "A" attached hereto. In any month, fully funding the aggregate of the Operating Funding shall take precedence over funding the Reserve Requirement. Procedurally, the Reserve Requirement shall be funded by DCE on a monthly basis from CCA Revenue available after payment of the prior month's billed and owed obligations for (i) SCE power related fees, if any, (ii) TEA power purchases and related charges, including TEA obligations to CAISO, (iii) monthly DCE administrative overhead (based on annual budgeted amounts related to CCA activities), (iv) payment of service fees to Core Team entities, and (v) amounts owed to Direct DCE Counterparties for energy purchases. DCE shall not make pre-payments to any third party, including Direct DCE Counterparties, prior to funding the monthly Reserve Requirement.

(3) After the first twelve months of power procurement, the Reserve Account will continue to serve as credit support for DCE power transactions through TEA. DCE shall fund and maintain the amount in the Reserve Account to be equal or greater than the credit exposure as calculated by TEA. At least on

an annual basis, TEA will reassess the credit exposure calculation based on factors, including the relationship of the parties, DCE's portfolio, and market conditions.

Section 3. Term and Termination of Task Order 2.

Section 3.1 Term of Task Order 2.

Operational Services provided under this Task Order 2 shall commence on the Phase III Commencement Date (as defined in RMA Section 3.2) and shall continue until the end of the Initial Term (as defined in RMA Section 3.1). Furthermore, during the Term of Task Order 2, the Parties agree that the delivery date for power procured by TEA on behalf of DCE shall be the later of either (i) the 1, day of July, 2018, or (ii) a date mutually agreed upon by the Parties based on the necessary conditions precedent (the "Power Start Date"). After the Initial Term, this Task Order 2 shall renew on an annual basis (each a "Renewal Term"), unless and until terminated pursuant to Section 3.2 herein.

Section 3.2 Termination.

Either Party may terminate this Task Order 2 by (i) providing notice of termination at least one hundred eighty (180) days prior to the end of the Initial Term or any Renewal Term for termination effective on the last day of such Renewal Term, or (ii) pursuant to the terms of RMA Section 4 ("Events of Termination").

Section 3.3 Consistency with RMA.

The term of Task Order 2 shall not exceed the termination or expiration of the RMA.

Section 4. Compensation for Services Provided in Task Order 2.

Section 4.1 Compensation for Services.

4.1.1 Operational Services.

For the Operational Services, including the Credit Solution provided under this Task Order 2, DCE shall pay TEA, on a monthly basis, fixed fees in the amount of one hundred seventy-seven thousand dollars ($177,000) as TEA monthly fees (the "Phase III Fees"),[1] in addition to any deferred fees owed by DCE for Phase II Fees.

4.1.2 Changes in CCA Members of DCE.

The Parties agree to negotiate in good faith a change in the fixed rate of Phase III Fees upon the occurrence of changes to the DCE joint power authority, as follows: (i) negotiate to determine an increase in the amount of Phase III fees if a city or county joins DCE as a new CCA Member and requires TEA services, or (ii) negotiate to determine a decrease in the amount of Phase III Fees if a current CCA Member decides to separate from DCE and no longer requires TEA services.

4.1.3 Deferred Phase II Fees.

For the Deferred Phase II Fees, as described in Task Order 1, DCE shall pay TEA an amount which shall be amortized for payment in equal monthly amounts during the first 48 months beginning on the

1 The monthly total of $177,000 is comprised of fees for operational services of $51,840 and the remainder for credit solution and support fees.

Power Start Date. The Deferred Fees are in addition to any amounts owed under Section 4.1.1 contained herein.

4.1.4 Hourly Rate.

For additional services not provided for in this Task Order 2 and requested by DCE, DCE shall pay TEA on a time and materials basis using the hourly billing rates provided in Section 8 contained herein.

4.1.5 DCE Power Obligations.

DCE obligations to pay TEA for power procurement on behalf of DCE ("Power Obligations") are separate from any fees owed to TEA for TEA Services. During the term of the RMA and this Task Order 2, compensation and Phase III Fees owed to TEA, which exclude the (i) Deferred Phase II Fees, and (ii) Power Obligations, will be adjusted on an annual basis by the greater of (i) 1.0 % or (ii) the U.S. Government Consumer Price Index for All Urban Consumers (the "CPI-U") beginning on the second anniversary of the RMA Effective Date.

Section 5. Controlling Terms and Conditions.

The provisions of this Task Order 2 are subject to the Terms and Conditions of the RMA between the Parties. If any provisions of this Task Order 2 conflict with any provisions in the RMA, the provisions of the RMA shall take precedence. Capitalized terms found in this Task Order 2, and not defined herein, shall have the meaning assigned to such terms in the RMA.

Section 6. Expenses and Reimbursement.

Actual out-of-pocket expenses for travel and participation in on-site meetings are in addition to the compensation outlined in Sections 1 and 4 of this Task Order 2. Travel costs such as airfare, hotel, ground transportation, per diem or meals (hereinafter, "Expenses") will be billed in the amount incurred by TEA for actual out-of-pocket cost, without any additional mark-up by TEA. Any Expenses incurred shall be billed for the month in which the Expenses are incurred. Air travel will be purchased at coach class fares, with advance purchase discounted tickets used when scheduling permits. Expense reports detailing all Expenses, along with receipts, will be presented to DCE for reimbursement.

Section 7. Settlement, Billing, and Payment Terms.

Section 7.1 CAISO Settlement, Billing, and Payments.

TEA shall provide services as Scheduling Coordinator ("SC") representing DCE in CAISO. TEA shall provide DCE with a statement of CAISO settlement activities on a regular basis in coordination with CAISO's settlement calendar (i.e., currently weekly). Additionally, each month TEA shall provide DCE with an aggregate or estimate of DCE Transactions based on available information from CAISO. For Transactions executed by TEA as principal in the Transaction for DCE's account within CAISO, DCE shall owe TEA for the Transactions, and TEA shall make weekly payments to CAISO in a timely matter contingent upon the following:

(1) Pursuant to Section 2.1, DCE shall maintain sufficient funds in the Lock Box Account to allow withdrawal of funds by TEA (or payment to TEA) at least one (1) business day in advance of TEA's weekly payment to CAISO for Transactions made on behalf of DCE (the "CAISO Payments"). The CAISO Payments will reflect actual weekly Transactions based on CAISO settlement invoices; and

(2) any amounts received from CAISO on behalf of DCE will serve as a credit to the respective CAISO Payments due by DCE.

TEA shall use reasonable effort to validate CAISO invoices based on a review of actual CAISO charges. Should TEA and DCE elect to dispute a CAISO invoice amount, such dispute shall be in accordance with Section 1.2.5 of this Task Order 2.

Section 7.2 Direct DCE Counterparties.

During the Initial Term, DCE may request that TEA settle with one or more direct DCE counterparties, if any, pursuant to direct supply agreements between DCE and its direct DCE counterparties. If TEA is not precluded by market regulations, and upon either (i) pre-payment in full by DCE, or (ii) a comparable increase is made to the Operating Funding amount, then TEA will make timely payments to such Direct DCE Counterparties as agreed by the Parties for DCE's account.

Section 7.3 Physical Bilateral Power Transactions with TEA as Principal in the Transactions.

For Transactions executed by TEA as principal in the Transaction for DCE's account with counterparties other than CAISO (such non-CAISO counterparties referred to herein as "Bilateral Counterparties"), DCE shall owe TEA for the Transactions, and TEA shall make monthly payments to such Bilateral Counterparties, in a timely manner, contingent on the following:

(1) Pursuant to Section 2.1, DCE shall maintain sufficient funds in the Lock Box Account to allow withdrawal of funds by TEA at least five (5) business days in advance of TEA's monthly payment to Bilateral Counterparties (the "Monthly Payments"), as more particularly described in Section 7.3(2) below. The Monthly Payments will be based on the monthly settlements of Transactions with Bilateral Counterparties; and

(2) On or before the 5th business day of each month, TEA will provide DCE with an invoice or statement of the Monthly Payments owed, including immediately preceding month's activities and settlement due related to Transactions with Bilateral Counterparties during the monthly billing period. Monthly Payments owed shall include any related penalty, interest, payments, or credits. If an amount is due DCE, considering all amounts owed between the Parties under this Task Order 2, then TEA will deposit the funds into the Lock Box Account. If an amount is due TEA, DCE will have sufficient funds available in the Lock Box Account, to allow TEA to withdraw such amounts by the 15th of each month in immediately available funds.

Notwithstanding the above provision of this Section, billing and payment provisions for these Transactions are dependent upon the market rules or contracts governing the specific transactions. If said billing and payment provisions require earlier payments than the provisions of this Section, then billing and payment shall be in accordance with the earlier payment provisions of such contracts or market rules.

Section 7.4 Other Products.

For any other products which are not covered in Sections 7.1 through 7.3, and which are procured or transacted by TEA on behalf of DCE, DCE shall make payments to TEA at least one (1) business day in advance of the date payment is due.

Section 7.5 Hourly Billing and Payments.

TEA billable hourly fees, if any, will be tracked and itemized for each month in which TEA services are performed under Task Order 2. TEA will bill DCE on a monthly basis for the amount of fees owed as

Deferred Fees, Phase III Fees, or other billable hourly fees (hereinafter, "Compensation") pursuant to Section 4 of this Task Order 2, plus Expenses, if any. If timing permits, such billable amounts will be itemized on the same monthly invoice(s) related to Transactions as described in Section 7.3 herein.

Except as provided in Section 4 (with respect to deferred fees) of this Task Order 2, DCE shall pay each invoice for Compensation related to TEA Services under this Task Order 2 the later of thirty (30) days after receiving the invoice from TEA or the first business day of the following month. DCE will send payment as designated in Section 7.5, or as otherwise designated by TEA. For the first month of operations, and until funds are first received by DCE from SCE into the Lock Box Account, then TEA shall give DCE a grace period of an additional thirty (30) days for the payment of Compensation by DCE.

Section 7.6 Payment Information.

Unless otherwise provided by TEA, DCE will send payment either via electronic funds transfer to TEA's bank account or via U.S. mail to:

The Energy Authority, Inc.
301 W. Bay Street, Suite 2600
Jacksonville, Florida 32202
Attention: Lisa Bailey, Accounting

The Parties agree to cooperate to develop and supplement the procedures related to billing and payments for the orderly implementation Sections 7.1 through 7.5; provided, however, that nothing herein shall require either Party to agree to an amendment to the terms of those sections.

Section 7.7 DCE Failure to Pay.

DCE's failure to make timely payments to TEA or fund amounts required in this Task Order 2 shall be considered a breach. In the event such breach is not cured within three (3) days following written notice by TEA, then DCE shall be in default (an "Event of Default"). Upon the occurrence of an Event of Default, TEA may, without waiving any other remedies:

(a) Apply any revenues or payments received by TEA for the benefit of DCE from any third party, if any, towards the outstanding amount owed to TEA;

(b) Apply any monies from security, including the Reserve Account or Lock Box Account, posted by DCE, towards the outstanding amount owed to TEA;

(c) Defer collection or provide an extension of outstanding amounts owed to TEA; and/or

(d) Terminate this Task Order 2 and all services provided for herein pursuant to the process outlined in RMA Section 25.2.

Section 7.8 Late Payments.

Any payment that is not received (exclusive of deferred Phase II Fees) by TEA on or before the date required shall incur a late fee, which shall be calculated by multiplying the total undisputed outstanding balance by the lesser of (i) the Interest Rate (as described in RMA Section 11.2), or (ii) the maximum rate allowable by state law (the "Late Fee") for the number of days which the balance remains outstanding.

Section 8. Billing Rates.

The TEA 2018 Billing Rates are applicable to any work performed by TEA in calendar year 2018 for which TEA is compensated on the basis of actual hours worked by TEA staff. Billing Rates are subject to annual adjustment and modification by TEA, and TEA agrees to provide DCE with written notice of any such revisions.

TEA 2018 Billing Rates

TEA 2018 Billing Rates[(1)]	
Job Group	**Billing Rate $/hour**
Principal Consultant	$310
Senior Consultant/Project Manager	$265
Consultant	$195
Analyst	$155
Clerical	$95
[(1)]Billing rates are subject to change after December 31, 2018.	

From time to time, DCE may request, and TEA may provide DCE with, additional services not described herein, and specifically described in a separate scope of work agreed to in writing by DCE and TEA.

Section 9. Functions Performed by DCE.

Unless otherwise mutually agreed to by the Parties, activities not expressly provided for herein are considered not within the scope of services for Task Order 2 and shall be performed by DCE or other third party, unless otherwise addressed in a separate Task Order.

Section 10. Amendment.

This Task Order 2 may only be amended by an instrument in writing signed by each Party's authorized representative.

Section 11. Exhibits.

The following documents are attached hereto and incorporated herein:

1. Schedule A – Funding and Balance Requirements
2. Exhibit A - Deposit Account Control Agreement
3. Exhibit B - Deposit Account Control Agreement (Reserve Account)

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Task Order 2 to be executed in their respective names by their respective duly authorized representatives as of the date written in the first paragraph of this Task Order 2.

DESERT COMMUNITY ENERGY	**THE ENERGY AUTHORITY, INC.**
By:_____	By:_____
Name: _____	Name: Joanie C. Teofilo
Its: _____	Its: President and CEO
Date: _____	Date: _____

ATTEST:

By: _____

Name: _____

Its: _____

Date: _____

DCE

Schedule "A"

	(a)	**(b)**	**(c)**	**(d)**
Month	Lock Box Operating Funding Target	Aggregate Lock Box Operating Minimum Balance	Monthly Minimum Reserve Account Funding Target	Aggregate Reserve Account Funding Target
1	$0	$0	$0	$0
2	$0	$0	$0	$0
3	$0	$0	$0	$0
4	$0	$0	$0	$0
5	$0	$0	$0	$0
6	$1,000,000	$1,000,000	$0	$0
7	$3,000,000	$4,000,000	$0	$0
8	$0	$4,000,000	$3,000,000	$3,000,000
9	$0	$4,000,000	$2,000,000	$5,000,000
10	$0	$4,000,000	$3,000,000	$8,000,000
11	$0	$4,000,000	$2,000,000	$10,000,000
12	$0	$4,000,000	$3,000,000	$13,000,000

Exhibit A

DEPOSIT ACCOUNT CONTROL AGREEMENT

This Deposit Account Control Agreement (as amended, restated, supplemented or otherwise modified from time to time, this "**Agreement**") is dated this _____ day of _____, 2018, and entered into by and among _____, a California joint powers authority ("**Depositor**"), The Energy Authority, Inc., a Georgia non-profit corporation ("**Secured Party**"), and _____ Bank, an _____ bank ("**Bank**").

Recitals

A. Depositor has granted (and Depositor hereby reaffirms the grant) to Secured Party a first priority security interest and lien upon deposit account number _____ (as such account may be renumbered by Bank), along with all credits or proceeds thereto and all monies, checks, and other instruments held or deposited therein, maintained by Depositor at Bank, including without limitation, services in connection with any lock box and all existing and future interest and other earnings thereon and all proceeds thereof (the "**Deposit Account**").

B. In connection therewith, Depositor and Secured Party request that Bank enter into a deposit account control agreement with regard to the Deposit Account. Bank is willing to do so upon the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

Agreement

1. Deposit Agreements. The terms and conditions of this Agreement are in addition to any deposit account agreements and other related agreements that Depositor has with Bank, including, without limitation, all agreements concerning banking products and services, treasury management documentation, account booklets containing the terms and conditions of the Deposit Account, signature cards, fee schedules, disclosures, specification sheets, and change of terms notices (collectively, "**Deposit Agreements**"). The provisions of this Agreement shall supersede the provisions of the Deposit Agreements only to the extent the provisions herein are inconsistent with the Deposit Agreements; and in all other respects, the Deposit Agreements shall remain in full force and effect.

2. Security Interest. Depositor represents and warrants to Bank and Secured Party that it has the legal right to pledge the Deposit Account to Secured Party, that the funds in the Deposit Account are not held for the benefit of a third party, and that there are no perfected liens or encumbrances with respect to the Deposit Account. Except as set forth in Section 5 below, Depositor will not permit the Deposit Account to become subject to any other pledge, assignment, lien, charge, or encumbrance of any kind, other than the security interest of Secured Party.

3. Control. In order to provide Secured Party with control over the Deposit Account, Depositor, Bank, and Secured Party agree, subject to the terms and conditions set forth herein, that Bank shall comply with all written instructions originated by Secured Party directing disposition

of the funds in the Deposit Account without any further consent from Depositor, even if such instructions are contrary to any of Depositor's instructions or demands or result in Bank dishonoring items which may be presented for payment. Depositor agrees that written instructions from Secured Party may include instructions to transfer funds to or for the benefit of Secured Party or any other person or entity and instructions to close the Deposit Account. Bank will promptly mark its records to register Secured Party's interest in the Deposit Account.

4. Access to Deposit Account. The Deposit Account shall be under the control of Secured Party; provided, that unless and until Bank receives Secured Party's written instructions given in accordance with Section 14 hereof, exercising exclusive control over the Deposit Account in substantially the form of Exhibit A attached hereto ("**Notice of Exclusive Control**"), Bank shall comply with Depositor's instructions, notices, and directions (which need not be in writing unless required by the Deposit Agreements or applicable law) with respect to the Deposit Account and/or the transfer or withdrawal of funds from the Deposit Account, including, without limitation, paying or transferring the funds to Depositor or any other person or entity, in accordance with the terms and provisions of the Deposit Agreements and applicable law. Following Bank's receipt of a Notice of Exclusive Control and the passage of a reasonable period of time (not to exceed two (2) Business Days) for Bank to act on the Notice of Exclusive Control, Bank will comply with Secured Party's written instructions with regard to the Deposit Account, including written instructions originated by Secured Party directing disposition of the funds in the Deposit Account, subject to the terms of this Agreement and applicable law. In all cases, Secured Party shall promptly contact Bank to confirm Bank's receipt of Secured Party's written instructions. In connection with Secured Party's written instructions, Bank shall not be required to provide extraordinary services or documentation regarding the Deposit Account unless Bank confirms that such extraordinary services or documentation are available. If there is any additional cost associated therewith, Secured Party agrees to pay such additional cost. A Notice of Exclusive Control may not be rescinded without Bank's prior written consent which may be withheld in Bank's sole and absolute discretion. Deductions for any amounts otherwise reimbursable to Bank as provided in Section 5 may be made before any funds are remitted to Secured Party pursuant to this Section 4. As used in this Agreement, "**Business Day**" means any day other than Saturday, Sunday, or any other day on which commercial banks in Oregon are authorized or required by law to close.

5. Subordination by Bank. Depositor and Bank acknowledge and recognize Secured Party's continuing security interest in the Deposit Account and in all items deposited in the Deposit Account and in the proceeds thereof. Except for the amounts set forth in this Section 5 and except for any security interest that Bank has under Article 4 of the Uniform Commercial Code, Bank hereby subordinates any statutory or contractual right or claim of offset or lien resulting from any transaction which involves the Deposit Account to Secured Party's security interest until this Agreement is terminated. Notwithstanding the preceding sentence, nothing herein constitutes a waiver of, and Bank expressly reserves all of its present and future rights with respect to: (a) fees and expenses related to the Deposit Account ("**Fees**"); (b) any checks, ACH entries, wire transfers, merchant card transactions, or other paper or electronic items which were deposited or credited to the Deposit Account that are returned, reversed, refunded, adjusted, or charged back for insufficient funds or for any other reason ("**Returned Items**"); and (c) obligations and liabilities connected with the Deposit Account that arise out of any treasury management services provided by Bank, its subsidiaries or affiliates, including, but not limited to, ACH, merchant card, zero balance account, sweeps, controlled disbursement or payroll

("**Overdrafts**"). Bank may charge the Deposit Account to cover Fees, Returned Items, and Overdrafts. If there are insufficient funds in the Deposit Account to cover the Fees, Returned Items, and Overdrafts, Depositor agrees to immediately reimburse Bank for the amount of such shortfall. If Depositor fails to pay the amount demanded by Bank, Secured Party agrees to reimburse Bank within fifteen (15) Business Days of demand thereof by Bank for any Fees, Returned Items, and Overdrafts to the extent of the amount of any funds from the Deposit Account were transferred pursuant to the written instructions of Secured Party, and provided that Secured Party received written demand for such reimbursement within ninety (90) days after the transfer of such funds from the Deposit Account at the written instruction of Secured Party.

6. Exculpation of Bank. Depositor and Secured Party agree that Bank shall incur no liability to either of them for any loss or damage that either or both may claim to have suffered or incurred, either directly or indirectly, by reason of this Agreement or any transaction or service contemplated by the provisions hereof unless it is finally adjudicated by a court of competent jurisdiction that such loss or damage was directly caused by Bank's gross negligence or willful misconduct. In no event, shall Bank be liable to Depositor or Secured Party for any of the following: (a) failing to follow any written instructions of Secured Party that (i) require the disposition of funds in the Deposit Account by a method not available to Depositor under the Deposit Agreements, (ii) in Bank's reasonable belief, would result in Bank failing to comply with a statute, rule, regulation, or guideline of any governmental body or an order or process binding upon Bank, (iii) require the disposition of funds that are not immediately available in the Deposit Account, or (iv) direct the disposition of less than all funds in the Deposit Account or direct that the funds be sent to more than one recipient; (b) complying with Depositor's instructions or otherwise completing a transaction involving the Deposit Account, that Bank or an affiliate has started to process before Bank's receipt of a Secured Party's written instructions, including, without limitation, a Notice of Exclusive Control, and the passage of a reasonable period of time (not to exceed two (2) Business Days) for Bank to act upon said instructions; (c) wrongful dishonor of any item as a result of Bank following any of Secured Party's written instructions; or (d) failing to comply or delaying in complying with any Secured Party's instructions or any provision of this Agreement due to a computer malfunction, legal constraint, emergency condition, fire, war, terrorist act, riot, theft, flood, earthquake, or other natural disaster, acts of God, interruption of communication facilities, labor difficulties or other cause beyond Bank's reasonable control. **IN NO EVENT WILL BANK BE LIABLE OR RESPONSIBLE FOR ANY INDIRECT DAMAGES, LOST PROFITS, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES WHICH ARISE OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES CONTEMPLATED BY THIS AGREEMENT EVEN IF BANK HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES.** Bank makes no representation or warranty regarding, and shall not have any responsibility for, the creation, attachment, perfection, or priority of Secured Party's purported security interest in the Deposit Account or any present or future adverse liens, claims, or encumbrances against the Deposit Account, and Bank shall have no liability to Depositor or Secured Party under this Agreement for any claim, damage, loss, cost, or expense resulting from, arising out of, or relating to such matters.

7. Indemnity. Depositor agrees to defend (with counsel reasonably acceptable to Bank), indemnify, and hold Bank and its parent companies, subsidiaries, affiliates, directors, shareholders, officers, employees, representatives, attorneys, successors, and assigns (collectively "**Depository Bank**") harmless from and against any and all claims, causes of action, losses, liabilities, costs, damages, and expenses, including, without limitation, reasonable legal and

accounting fees and attorney fees (collectively, "**Claims**"), arising out of or in any way related to this Agreement except to the extent the Claims are finally adjudicated by a court of competent jurisdiction to be directly caused by Bank's gross negligence or willful misconduct.

8. Bank's Responsibility. The duties of Bank are strictly limited to those set forth in this Agreement. Nothing within this Agreement shall create any agency, fiduciary, joint venture, or partnership relationship between Bank and Depositor or Secured Party. Bank will have no fiduciary duties under this Agreement to any party. Bank shall be protected in relying on any form of instruction, notice, or other communication purporting to be from an authorized representative of Secured Party. Bank shall have no duty to inquire as to the genuineness, validity, or enforceability of any such instruction, notice, or communication even if Depositor notifies Bank that Secured Party is not legally entitled to originate any such instruction, notice, or communication.

9. Deposit Account Information. If Secured Party so requests and at Secured Party's expense, to the extent that Bank has the operational ability to do so, Bank will provide to Secured Party, whether by first class mail, Internet access or otherwise, a copy of each periodic account statement relating to the Deposit Account ordinarily furnished by Bank to Depositor. Depositor authorizes Bank to provide to Secured Party, whether by first class mail, Internet access, or otherwise, such statements and any other information concerning the Deposit Account that Bank may agree to provide to Secured Party at Secured Party's request. Bank will have no liability for providing or failing to provide any such statement or other information related to the Deposit Account pursuant to the terms of this Agreement.

10. Termination. This Agreement shall continue in full force and effect until terminated (a) by Bank upon not less than thirty (30) calendar days' written notice to each of the other parties, (b) by Secured Party upon written notice to Bank, or (c) by Depositor with the prior written consent of Secured Party (which consent may be withheld in the sole and absolute discretion of Secured Party). Notwithstanding the foregoing, Bank may immediately and automatically close the Deposit Account and terminate the Agreement (a) in the event that Bank reasonably believes that any fraudulent activity has or is occurring with regard to the Deposit Account or (b) if Bank becomes obligated to close the Deposit Account or terminate this Agreement under any statute, rule, or regulation, or any other order or process binding upon Bank; provided that Bank shall give prompt written notice of such termination to Depositor and Secured party to the extent allowed under applicable law. In addition, Bank may terminate this Agreement upon ten (10) calendar days' written notice to the other parties if Depositor or Secured Party is in material breach of the Deposit Agreement or this Agreement, including, without limitation, Depositor's or Secured Party's failure to reimburse Bank pursuant to Section 5 above. In the event of any termination, all fees incurred under this Agreement shall become immediately due and payable in full. This Agreement shall automatically terminate upon (a) Bank's receipt of written notice from Secured Party of the payment in full of all of Depositor's obligations due and owing to Secured Party or (b) the closure of the Deposit Account (provided, however, that Depositor hereby covenants to Secured Party that Depositor will not close the Deposit Account without the prior written consent of Secured Party, which consent be withheld by Secured Party in its sole and absolute discretion). Bank shall not be liable for the closure of the Deposit Account by Depositor or the remittance of any funds therein, on the instructions of Depositor prior to Bank's receipt of a Notice of Exclusive Control pursuant to Sections 4 and 14 that has not been rescinded pursuant to the terms hereof. Upon termination of this Agreement, and unless otherwise prohibited by order

or law, Bank will remit any available funds in the Deposit Account on the date of termination to Secured Party only if a Notice of Exclusive Control is received by Bank prior to the date of termination of this Agreement pursuant to the terms of this Agreement, including Sections 4 and 14, and said Notice of Exclusive Control has not been rescinded pursuant to the terms hereof; otherwise, Bank may remit said funds to Depositor pursuant to the terms of the Deposit Agreement without any reference to this Agreement. Deductions for any amounts otherwise reimbursable to Bank as provided in this Agreement may be made before any funds are remitted. Termination of this Agreement shall not affect the rights or obligations of any party hereto with respect to the period prior to such termination. Specifically, the rights of Bank and the obligations of Depositor and Secured Party under Sections 5, 6, and 7 of this Agreement shall survive the termination of this Agreement.

11. Representations and Warranties.

(a) Each party represents and warrants to the other parties that (i) this Agreement constitutes its duly authorized, legal, valid, binding and enforceable obligation; (ii) the performance of its obligations under this Agreement and the consummation of the transactions contemplated hereunder will not (A) constitute or result in a breach of (I) (x) in the case of Depositor, its charter, by-laws or other organizational or governing documents of Depositor and (y) in the case of Secured Party and Bank, its certificate or articles of incorporation or organization, by-laws, or other formation or organizational documents, as applicable, or (II) the provisions of any material contract to which it is a party or by which it is bound or (B) result in the violation of any law, regulation, judgment, decree or governmental order applicable to it; and (iii) all approvals, notices, registrations, filings and authorizations required to permit the execution, delivery, performance and consummation of this Agreement and the transactions contemplated hereunder have been obtained.

(b) Depositor further represents and warrants to the other parties that (i) this Agreement has been duly authorized, executed and delivered by Depositor; and (ii) the officer(s) of Depositor executing this Agreement are duly and properly in office and fully authorized to execute and deliver the same.

(c) Depositor agrees that it shall be deemed to make and renew each representation and warranty here on and as of each day on which Depositor uses the services set forth in this Agreement.

12. Legal Process and Insolvency. In the event Bank receives any form of legal process concerning the Deposit Account, including, without limitation, court orders, levies, garnishments, attachments, and writs of execution, or in the event Bank learns of any insolvency proceeding concerning Depositor, including, without limitation, bankruptcy, receivership, and assignment for the benefit of creditors, Bank will respond to such legal process or knowledge of insolvency in the normal course or as required by law and shall not be in violation of this Agreement for so doing.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York (without giving effect to its choice of law provisions) and applicable federal laws and regulations. The parties agree that New York is the

"bank's jurisdiction" for purposes of the Uniform Commercial Code. To the extent the Deposit Agreement contains a provision inconsistent with the provisions of this Section 13, this Agreement shall prevail.

14. Notices. Except as otherwise provided in this Agreement, all communications given by any party to another required under this Agreement must be in writing, directed to the party at its address(es) as set forth below (or at such other address as such party may hereafter specify in a written notice given to the other parties in accordance with this Section 14) and shall be delivered by hand, sent by nationally-recognized overnight, receipted delivery service, or sent by registered/certified United States mail. Any such communication shall be deemed delivered if delivered by: (a) hand, on the date and time that such communication shall have been delivered, in hand, with proof of receipt by signature, (b) nationally-recognized overnight, receipted delivery service, on the date and time that such communication shall have been delivered and receipted by such delivery service with proof of receipt by signature, or (c) registered or certified United States mail, on the date and time that such communication shall have been delivered and receipted by the United States Postal Service with proof of receipt by signature. Notwithstanding anything to the contrary in this Section 14, any communication hereunder to Bank (including, without limitation, a Notice of Exclusive Control) made by (or believed in good faith by Bank to be made by) Secured Party or Depositor and confirmed to have been delivered after 2:00 p.m. Pacific Time on a Business Day or delivered on a day that is not a Business Day, shall be deemed delivered to Bank at the opening of the next Business Day. In all circumstances, Bank shall have a reasonable period of time (not to exceed two (2) Business Days) to act on Secured Party's instructions, including, without limitation, a Notice of Exclusive Control. Bank may elect in its sole and absolute discretion to accept a communication delivered in a method other than as set forth above.

Depositor: _____
_____
_____
Attn: _____
Telephone: _____
E-mail: _____

Secured Party: The Energy Authority, Inc.
301 West Bay Street, Suite 2600
Jacksonville, FL 32202
Attn: Daren Anderson
Telephone: (904) 356-3900
Email: danderson@teainc.org

Bank: _____
_____
_____
Attn: _____
Telephone: _____
E-mail: _____

15. Successors and Transferees. This Agreement shall inure to the benefit of, and be binding upon, the parties and their respective successors and other transferees permitted under this section. An assignment of a party's rights or duties under this Agreement without the prior written consent of the other parties will be void except Bank, without the consent of Secured Party or Depositor, may transfer its rights and duties to a transferee to which, by contract or operation of law, Bank transfers the Deposit Account.

16. Entire Agreement/Amendments/Headings. This Agreement, the Deposit Agreements, and the instructions and notices required or permitted to be executed and delivered hereunder set forth the entire agreement of the parties with respect to the subject matter hereof. This Agreement may be amended only with the prior written consent of all parties hereto. None of the terms of this Agreement may be waived except as Bank may consent thereto in writing. No delay on the part of Bank in exercising any right, power, or privilege hereunder shall operate as a waiver hereof, nor shall any single or partial exercise of any right, power, or privilege hereunder preclude other or further exercise thereof or the exercise of any right, power, or privilege. The rights and remedies specified herein are cumulative and are not exclusive of any rights or remedies which Bank would otherwise have. All headings in this Agreement are included herein for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions of this Agreement.

17. Severability. If any term, condition, or provision of this Agreement is held to be invalid or unenforceable, the offending term, condition, or provision will be struck, and the remainder of this Agreement will not be affected thereby.

18. Jury Trial Waiver. TO THE FULLEST EXTENT ALLOWED BY LAW, THE PARTIES AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, EACH KNOWINGLY, VOLUNTARILY, IRREVOCABLY, AND WITHOUT COERCION, WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY JUDICIAL PROCEEDING ARISING OUT OF, OR RELATING TO, THIS AGREEMENT OR SERVICES RENDERED IN CONNECTION WITH THIS AGREEMENT. IN ADDITION, TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW, THE PARTIES AGREE THAT ALL DISPUTES, CLAIMS, AND CONTROVERSIES AMONG THEM ARISING UNDER OR RELATING TO THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, CONTRACT AND TORT CLAIMS, SHALL BE BROUGHT IN THEIR INDIVIDUAL CAPACITIES AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING.

19. Counterparts. This Agreement may be executed by the parties hereto in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same Agreement. Signature pages may be detached from separate counterparts and attached to a single counterpart. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart thereof.

DEPOSITOR:

[CCA]

By: _____
Name: _____
Title: _____

SECURED PARTY:

THE ENERGY AUTHORITY, INC.

By: _____
Name: _____
Title: _____

BANK:

[BANK NAME]

By: _____
Name: _____
Title: _____

Exhibit A

[Letterhead of The Energy Authority, Inc.]

Notice of Exclusive Control

[Date]

Bank [or successor or transferee of Bank]
_____
_____
Attn:_____

Re: Notice of Exclusive Control

Ladies and Gentlemen:

As referenced in the Deposit Account Control Agreement dated the _____ day of _____, 2018 among [CCA], us and you (the "**Agreement**"), we hereby give you notice of our exercise of exclusive control over deposit account number [_____] (the "**Account**"). You are instructed not to accept any directions from Depositor (as defined in the Agreement) with respect to the Account unless otherwise ordered by a court of competent jurisdiction.

As an included disposition instruction, we direct you to send available and collected funds in the Account to us by the method [and at the address] indicated below:

[Insert Method]

[Insert Address, if applicable]

Very truly yours,

The Energy Authority, Inc.,
as Secured Party

By: _____
Name: _____
Title: _____

Exhibit B

DEPOSIT ACCOUNT CONTROL AGREEMENT

This Deposit Account Control Agreement (as amended, restated, supplemented or otherwise modified from time to time, this "**Agreement**") is dated this _____ day of _____, 2018, and entered into by and among _____, a California joint powers authority ("**Depositor**"), The Energy Authority, Inc., a Georgia non-profit corporation ("**Secured Party**"), and _____ Bank, an _____ bank ("**Bank**").

Recitals

A. Depositor has granted (and Depositor hereby reaffirms the grant) to Secured Party a first priority security interest and lien upon deposit account number _____ (as such account may be renumbered by Bank), along with all credits or proceeds thereto and all monies, checks, and other instruments held or deposited therein, maintained by Depositor at Bank, including without limitation, services in connection with any lock box and all existing and future interest and other earnings thereon and all proceeds thereof (the "**Deposit Account**").

B. In connection therewith, Depositor and Secured Party request that Bank enter into a deposit account control agreement with regard to the Deposit Account. Bank is willing to do so upon the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

Agreement

1. Deposit Agreements. The terms and conditions of this Agreement are in addition to any deposit account agreements and other related agreements that Depositor has with Bank, including, without limitation, all agreements concerning banking products and services, treasury management documentation, account booklets containing the terms and conditions of the Deposit Account, signature cards, fee schedules, disclosures, specification sheets, and change of terms notices (collectively, "**Deposit Agreements**"). The provisions of this Agreement shall supersede the provisions of the Deposit Agreements only to the extent the provisions herein are inconsistent with the Deposit Agreements; and in all other respects, the Deposit Agreements shall remain in full force and effect.

2. Security Interest. Depositor represents and warrants to Bank and Secured Party that it has the legal right to pledge the Deposit Account to Secured Party, that the funds in the Deposit Account are not held for the benefit of a third party, and that there are no perfected liens or encumbrances with respect to the Deposit Account. Except as set forth in Section 5 below, Depositor will not permit the Deposit Account to become subject to any other pledge, assignment, lien, charge, or encumbrance of any kind, other than the security interest of Secured Party.

3. Control. In order to provide Secured Party with control over the Deposit Account, Depositor, Bank, and Secured Party agree, subject to the terms and conditions set forth herein, that Bank shall comply with all written instructions originated by Secured Party directing disposition

of the funds in the Deposit Account without any further consent from Depositor, even if such instructions are contrary to any of Depositor's instructions or demands or result in Bank dishonoring items which may be presented for payment. Depositor agrees that written instructions from Secured Party may include instructions to transfer funds to or for the benefit of Secured Party or any other person or entity and instructions to close the Deposit Account. Bank will promptly mark its records to register Secured Party's interest in the Deposit Account.

4. Access to Deposit Account. The Deposit Account shall be under the control of Secured Party; provided, that unless and until Bank receives Secured Party's written instructions given in accordance with Section 14 hereof, exercising exclusive control over the Deposit Account in substantially the form of Exhibit A attached hereto ("**Notice of Exclusive Control**"), Bank shall comply with Depositor's instructions, notices, and directions (which need not be in writing unless required by the Deposit Agreements or applicable law) with respect to the Deposit Account and/or the transfer or withdrawal of funds from the Deposit Account, including, without limitation, paying or transferring the funds to Depositor or any other person or entity, in accordance with the terms and provisions of the Deposit Agreements and applicable law. Following Bank's receipt of a Notice of Exclusive Control and the passage of a reasonable period of time (not to exceed two (2) Business Days) for Bank to act on the Notice of Exclusive Control, Bank will comply with Secured Party's written instructions with regard to the Deposit Account, including written instructions originated by Secured Party directing disposition of the funds in the Deposit Account, subject to the terms of this Agreement and applicable law. In all cases, Secured Party shall promptly contact Bank to confirm Bank's receipt of Secured Party's written instructions. In connection with Secured Party's written instructions, Bank shall not be required to provide extraordinary services or documentation regarding the Deposit Account unless Bank confirms that such extraordinary services or documentation are available. If there is any additional cost associated therewith, Secured Party agrees to pay such additional cost. A Notice of Exclusive Control may not be rescinded without Bank's prior written consent which may be withheld in Bank's sole and absolute discretion. Deductions for any amounts otherwise reimbursable to Bank as provided in Section 5 may be made before any funds are remitted to Secured Party pursuant to this Section 4. As used in this Agreement, "**Business Day**" means any day other than Saturday, Sunday, or any other day on which commercial banks in Oregon are authorized or required by law to close.

5. Subordination by Bank. Depositor and Bank acknowledge and recognize Secured Party's continuing security interest in the Deposit Account and in all items deposited in the Deposit Account and in the proceeds thereof. Except for the amounts set forth in this Section 5 and except for any security interest that Bank has under Article 4 of the Uniform Commercial Code, Bank hereby subordinates any statutory or contractual right or claim of offset or lien resulting from any transaction which involves the Deposit Account to Secured Party's security interest until this Agreement is terminated. Notwithstanding the preceding sentence, nothing herein constitutes a waiver of, and Bank expressly reserves all of its present and future rights with respect to: (a) fees and expenses related to the Deposit Account ("**Fees**"); (b) any checks, ACH entries, wire transfers, merchant card transactions, or other paper or electronic items which were deposited or credited to the Deposit Account that are returned, reversed, refunded, adjusted, or charged back for insufficient funds or for any other reason ("**Returned Items**"); and (c) obligations and liabilities connected with the Deposit Account that arise out of any treasury management services provided by Bank, its subsidiaries or affiliates, including, but not limited to, ACH, merchant card, zero balance account, sweeps, controlled disbursement or payroll

("**Overdrafts**"). Bank may charge the Deposit Account to cover Fees, Returned Items, and Overdrafts. If there are insufficient funds in the Deposit Account to cover the Fees, Returned Items, and Overdrafts, Depositor agrees to immediately reimburse Bank for the amount of such shortfall. If Depositor fails to pay the amount demanded by Bank, Secured Party agrees to reimburse Bank within fifteen (15) Business Days of demand thereof by Bank for any Fees, Returned Items, and Overdrafts to the extent of the amount of any funds from the Deposit Account were transferred pursuant to the written instructions of Secured Party, and provided that Secured Party received written demand for such reimbursement within ninety (90) days after the transfer of such funds from the Deposit Account at the written instruction of Secured Party.

6. Exculpation of Bank. Depositor and Secured Party agree that Bank shall incur no liability to either of them for any loss or damage that either or both may claim to have suffered or incurred, either directly or indirectly, by reason of this Agreement or any transaction or service contemplated by the provisions hereof unless it is finally adjudicated by a court of competent jurisdiction that such loss or damage was directly caused by Bank's gross negligence or willful misconduct. In no event, shall Bank be liable to Depositor or Secured Party for any of the following: (a) failing to follow any written instructions of Secured Party that (i) require the disposition of funds in the Deposit Account by a method not available to Depositor under the Deposit Agreements, (ii) in Bank's reasonable belief, would result in Bank failing to comply with a statute, rule, regulation, or guideline of any governmental body or an order or process binding upon Bank, (iii) require the disposition of funds that are not immediately available in the Deposit Account, or (iv) direct the disposition of less than all funds in the Deposit Account or direct that the funds be sent to more than one recipient; (b) complying with Depositor's instructions or otherwise completing a transaction involving the Deposit Account, that Bank or an affiliate has started to process before Bank's receipt of a Secured Party's written instructions, including, without limitation, a Notice of Exclusive Control, and the passage of a reasonable period of time (not to exceed two (2) Business Days) for Bank to act upon said instructions; (c) wrongful dishonor of any item as a result of Bank following any of Secured Party's written instructions; or (d) failing to comply or delaying in complying with any Secured Party's instructions or any provision of this Agreement due to a computer malfunction, legal constraint, emergency condition, fire, war, terrorist act, riot, theft, flood, earthquake, or other natural disaster, acts of God, interruption of communication facilities, labor difficulties or other cause beyond Bank's reasonable control. **IN NO EVENT WILL BANK BE LIABLE OR RESPONSIBLE FOR ANY INDIRECT DAMAGES, LOST PROFITS, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES WHICH ARISE OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES CONTEMPLATED BY THIS AGREEMENT EVEN IF BANK HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES.** Bank makes no representation or warranty regarding, and shall not have any responsibility for, the creation, attachment, perfection, or priority of Secured Party's purported security interest in the Deposit Account or any present or future adverse liens, claims, or encumbrances against the Deposit Account, and Bank shall have no liability to Depositor or Secured Party under this Agreement for any claim, damage, loss, cost, or expense resulting from, arising out of, or relating to such matters.

7. Indemnity. Depositor agrees to defend (with counsel reasonably acceptable to Bank), indemnify, and hold Bank and its parent companies, subsidiaries, affiliates, directors, shareholders, officers, employees, representatives, attorneys, successors, and assigns (collectively "**Depository Bank**") harmless from and against any and all claims, causes of action, losses, liabilities, costs, damages, and expenses, including, without limitation, reasonable legal and

accounting fees and attorney fees (collectively, "**Claims**"), arising out of or in any way related to this Agreement except to the extent the Claims are finally adjudicated by a court of competent jurisdiction to be directly caused by Bank's gross negligence or willful misconduct.

8. Bank's Responsibility. The duties of Bank are strictly limited to those set forth in this Agreement. Nothing within this Agreement shall create any agency, fiduciary, joint venture, or partnership relationship between Bank and Depositor or Secured Party. Bank will have no fiduciary duties under this Agreement to any party. Bank shall be protected in relying on any form of instruction, notice, or other communication purporting to be from an authorized representative of Secured Party. Bank shall have no duty to inquire as to the genuineness, validity, or enforceability of any such instruction, notice, or communication even if Depositor notifies Bank that Secured Party is not legally entitled to originate any such instruction, notice, or communication.

9. Deposit Account Information. If Secured Party so requests and at Secured Party's expense, to the extent that Bank has the operational ability to do so, Bank will provide to Secured Party, whether by first class mail, Internet access or otherwise, a copy of each periodic account statement relating to the Deposit Account ordinarily furnished by Bank to Depositor. Depositor authorizes Bank to provide to Secured Party, whether by first class mail, Internet access, or otherwise, such statements and any other information concerning the Deposit Account that Bank may agree to provide to Secured Party at Secured Party's request. Bank will have no liability for providing or failing to provide any such statement or other information related to the Deposit Account pursuant to the terms of this Agreement.

10. Termination. This Agreement shall continue in full force and effect until terminated (a) by Bank upon not less than thirty (30) calendar days' written notice to each of the other parties, (b) by Secured Party upon written notice to Bank, or (c) by Depositor with the prior written consent of Secured Party (which consent may be withheld in the sole and absolute discretion of Secured Party). Notwithstanding the foregoing, Bank may immediately and automatically close the Deposit Account and terminate the Agreement (a) in the event that Bank reasonably believes that any fraudulent activity has or is occurring with regard to the Deposit Account or (b) if Bank becomes obligated to close the Deposit Account or terminate this Agreement under any statute, rule, or regulation, or any other order or process binding upon Bank; provided that Bank shall give prompt written notice of such termination to Depositor and Secured party to the extent allowed under applicable law. In addition, Bank may terminate this Agreement upon ten (10) calendar days' written notice to the other parties if Depositor or Secured Party is in material breach of the Deposit Agreement or this Agreement, including, without limitation, Depositor's or Secured Party's failure to reimburse Bank pursuant to Section 5 above. In the event of any termination, all fees incurred under this Agreement shall become immediately due and payable in full. This Agreement shall automatically terminate upon (a) Bank's receipt of written notice from Secured Party of the payment in full of all of Depositor's obligations due and owing to Secured Party or (b) the closure of the Deposit Account (provided, however, that Depositor hereby covenants to Secured Party that Depositor will not close the Deposit Account without the prior written consent of Secured Party, which consent be withheld by Secured Party in its sole and absolute discretion). Bank shall not be liable for the closure of the Deposit Account by Depositor or the remittance of any funds therein, on the instructions of Depositor prior to Bank's receipt of a Notice of Exclusive Control pursuant to Sections 4 and 14 that has not been rescinded pursuant to the terms hereof. Upon termination of this Agreement, and unless otherwise prohibited by order

or law, Bank will remit any available funds in the Deposit Account on the date of termination to Secured Party only if a Notice of Exclusive Control is received by Bank prior to the date of termination of this Agreement pursuant to the terms of this Agreement, including Sections 4 and 14, and said Notice of Exclusive Control has not been rescinded pursuant to the terms hereof; otherwise, Bank may remit said funds to Depositor pursuant to the terms of the Deposit Agreement without any reference to this Agreement. Deductions for any amounts otherwise reimbursable to Bank as provided in this Agreement may be made before any funds are remitted. Termination of this Agreement shall not affect the rights or obligations of any party hereto with respect to the period prior to such termination. Specifically, the rights of Bank and the obligations of Depositor and Secured Party under Sections 5, 6, and 7 of this Agreement shall survive the termination of this Agreement.

11. Representations and Warranties.

(a) Each party represents and warrants to the other parties that (i) this Agreement constitutes its duly authorized, legal, valid, binding and enforceable obligation; (ii) the performance of its obligations under this Agreement and the consummation of the transactions contemplated hereunder will not (A) constitute or result in a breach of (I) (x) in the case of Depositor, its charter, by-laws or other organizational or governing documents of Depositor and (y) in the case of Secured Party and Bank, its certificate or articles of incorporation or organization, by-laws, or other formation or organizational documents, as applicable, or (II) the provisions of any material contract to which it is a party or by which it is bound or (B) result in the violation of any law, regulation, judgment, decree or governmental order applicable to it; and (iii) all approvals, notices, registrations, filings and authorizations required to permit the execution, delivery, performance and consummation of this Agreement and the transactions contemplated hereunder have been obtained.

(b) Depositor further represents and warrants to the other parties that (i) this Agreement has been duly authorized, executed and delivered by Depositor; and (ii) the officer(s) of Depositor executing this Agreement are duly and properly in office and fully authorized to execute and deliver the same.

(c) Depositor agrees that it shall be deemed to make and renew each representation and warranty here on and as of each day on which Depositor uses the services set forth in this Agreement.

12. Legal Process and Insolvency. In the event Bank receives any form of legal process concerning the Deposit Account, including, without limitation, court orders, levies, garnishments, attachments, and writs of execution, or in the event Bank learns of any insolvency proceeding concerning Depositor, including, without limitation, bankruptcy, receivership, and assignment for the benefit of creditors, Bank will respond to such legal process or knowledge of insolvency in the normal course or as required by law and shall not be in violation of this Agreement for so doing.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York (without giving effect to its choice of law provisions) and applicable federal laws and regulations. The parties agree that New York is the

"bank's jurisdiction" for purposes of the Uniform Commercial Code. To the extent the Deposit Agreement contains a provision inconsistent with the provisions of this Section 13, this Agreement shall prevail.

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Depositor: _____
_____
_____
Attn: _____
Telephone: _____
E-mail: _____

Secured Party: The Energy Authority, Inc.
301 West Bay Street, Suite 2600
Jacksonville, FL 32202
Attn: Daren Anderson
Telephone: (904) 356-3900
Email: danderson@teainc.org

Bank: _____
_____
_____
Attn: _____
Telephone: _____
E-mail: _____

15. Successors and Transferees. This Agreement shall inure to the benefit of, and be binding upon, the parties and their respective successors and other transferees permitted under this section. An assignment of a party's rights or duties under this Agreement without the prior written consent of the other parties will be void except Bank, without the consent of Secured Party or Depositor, may transfer its rights and duties to a transferee to which, by contract or operation of law, Bank transfers the Deposit Account.

16. Entire Agreement/Amendments/Headings. This Agreement, the Deposit Agreements, and the instructions and notices required or permitted to be executed and delivered hereunder set forth the entire agreement of the parties with respect to the subject matter hereof. This Agreement may be amended only with the prior written consent of all parties hereto. None of the terms of this Agreement may be waived except as Bank may consent thereto in writing. No delay on the part of Bank in exercising any right, power, or privilege hereunder shall operate as a waiver hereof, nor shall any single or partial exercise of any right, power, or privilege hereunder preclude other or further exercise thereof or the exercise of any right, power, or privilege. The rights and remedies specified herein are cumulative and are not exclusive of any rights or remedies which Bank would otherwise have. All headings in this Agreement are included herein for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions of this Agreement.

17. Severability. If any term, condition, or provision of this Agreement is held to be invalid or unenforceable, the offending term, condition, or provision will be struck, and the remainder of this Agreement will not be affected thereby.

18. Jury Trial Waiver. TO THE FULLEST EXTENT ALLOWED BY LAW, THE PARTIES AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, EACH KNOWINGLY, VOLUNTARILY, IRREVOCABLY, AND WITHOUT COERCION, WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY JUDICIAL PROCEEDING ARISING OUT OF, OR RELATING TO, THIS AGREEMENT OR SERVICES RENDERED IN CONNECTION WITH THIS AGREEMENT. IN ADDITION, TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW, THE PARTIES AGREE THAT ALL DISPUTES, CLAIMS, AND CONTROVERSIES AMONG THEM ARISING UNDER OR RELATING TO THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, CONTRACT AND TORT CLAIMS, SHALL BE BROUGHT IN THEIR INDIVIDUAL CAPACITIES AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING.

19. Counterparts. This Agreement may be executed by the parties hereto in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same Agreement. Signature pages may be detached from separate counterparts and attached to a single counterpart. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart thereof.

DEPOSITOR:

[CCA]

By: _____
Name: _____
Title: _____

SECURED PARTY:

THE ENERGY AUTHORITY, INC.

By: _____
Name: _____
Title: _____

BANK:

[BANK NAME]

By: _____
Name: _____
Title: _____

Exhibit A

[Letterhead of The Energy Authority, Inc.]

Notice of Exclusive Control

[Date]

Bank [or successor or transferee of Bank]
_____
_____
Attn:_____

Re: Notice of Exclusive Control

Ladies and Gentlemen:

As referenced in the Deposit Account Control Agreement dated the _____ day of _____, 2018 among [CCA], us and you (the "**Agreement**"), we hereby give you notice of our exercise of exclusive control over deposit account number [_____] (the "**Account**"). You are instructed not to accept any directions from Depositor (as defined in the Agreement) with respect to the Account unless otherwise ordered by a court of competent jurisdiction.

As an included disposition instruction, we direct you to send available and collected funds in the Account to us by the method [and at the address] indicated below:

[Insert Method]

[Insert Address, if applicable]

Very truly yours,

The Energy Authority, Inc.,
as Secured Party

By: _____
Name: _____
Title: _____

TEA Task Order 3 for
Data Manager Services

TEA and DCE agree that the following terms and conditions constitute Task Order 3 for Data Manager Services ("Task Order 3").

Section 1. Scope of Services.

Subject to the terms and conditions of the RMA, during the Term, TEA, via its sub-contractor, Calpine Energy Solutions, LLC ("Calpine" or "DM Services Provider") shall provide to DCE certain data management and call center services, as more particularly described in this Task Order 3.

Section 2. Description of Data Manager Services.

During the Term, TEA shall provide the following the Data Manager Services.

a. Start-Up Support Services for CCA. DM Services Provider shall:

i. Participate in coordination meetings at TEA or CCA's request to initiate Community Choice Aggregation service in SCE's territory. Such meetings may include CCA and/or SCE, as necessary, and may require on-site participation by DM Services Provider staff.
ii. Complete the technical testing of all necessary electronic interfaces with SCE, which provide for the communication by Internet and Electronic Data Interchange ("EDI") between DM Services Provider and SCE to confirm system compatibility related to CCA Service Requests ("CCARs"), billing collections, meter reading, and electricity usage data.
iii. Demonstrate successful completion of all standard SCE technical testing and shall have the capability to communicate or exchange the information using EDI, Internet, or an electronic format acceptable to SCE.
iv. Obtain customer information data, including historical usage for enrolled customers, from CCA or SCE.
v. Provide customer mailing list to CCA for customer notices during CCA Enrollment Phase using methodology agreed upon by CCA and DM Services Provider.

b. Electronic Data Exchange Services. DM Services Provider shall:

i. Process CCA Service Requests (CCASRs) from/to SCE which specify the changes to a customer's choice of services such as enrollment in CCA programs, customer initiated returns to bundled utility service or customer initiated returns to direct access service (814 Electronic Data Interchange Files).
ii. Obtain all customer usage data from SCE's Metered Data Management Agent (MDMA) server to allow for timely billing (according to SCE requirements) of each customer (867 Electronic Data Interchange Files).
iii. Maintain and communicate the amount to be billed by SCE for services provided by CCA (810 Electronic Data Interchange Files).
iv. Receive and maintain data related to payment transactions toward CCA charges

from SCE after payment is received by SCE from customers (820 Electronic Data Interchange Files).

v. Process CCASRs with SCE when customer status changes.

c. Customer Information System. DM Services Provider shall:

i. Maintain an accurate database of all eligible accounts who are located in CCA service area and identify each account's enrollment status, rate tariff election(s), payment history, collection status, on-site generating capacity, if applicable, and any correspondence with customer as well as other information that may become necessary to effectively administer Data Manager Services as mutually agreed to by parties from time to time.

ii. Allow CCA to have functional access to the Customer Relationship Management system ("CRM") to add customer interactions and other account notes.

iii. Allow CCA to view customer email or written letter correspondence within the CRM.

iv. Maintain and provide as needed usage data on all customers for a time period equal to the lesser of either (a) the start of service to present or (b) five years, as received by the MDMA.

v. Maintain viewing access, available to appropriate CCA staff, to view SCE bills for CCA customers. Maintain accessible archive of billing records for all CCA customers from the start of CCA service or a period of no less than five years.

vi. Maintain and communicate as needed record of customers who have been offered CCA service with CCA but have elected to opt out, either before or after starting CCA service.

vii. Maintain and communicate as needed records of Net Energy Metering credits and generation data for customers to be posted on bill and settled annually.

viii. When requested by CCA, place program charges on the relevant customer account, identified by Service Agreement ID ("SAID").

ix. Identify customers participating in various CCA programs in database.

x. Include various program payment information in all relevant reports.

xi. Perform quarterly CCA program reviews to assess appropriate customer charge level.

xii. Maintain all customer data according to uniform CCA customer privacy policy and the requirements of relevant California Public Utilities Commission Decisions including D.12-08-045, including a daily backup process.

xiii. Maintain a uniform Data Management Provider Security Breach Policy.

d. Customer Call Center:

i. Provide professional Interactive Voice Response (IVR) recordings for CCA customer call center.

ii. Provide uniform option for IVR self-service and track how many customers start and complete self-service options without live-agent assistance.

iii. Staff a call center during any CCA Statutory Enrollment Period between the hours of 8 AM and 5 PM PPT Monday through Friday, excluding CCA and SCE holidays to process opt out requests.

iv. Staff a call center during Non-Enrollment Period between the hours of 8 AM and

5 PM PPT Monday through Friday, excluding CCA and SCE holidays.

v. Provide sufficient call center staffing to meet the requirements set forth herein, including designating CCA specific agents to the extent needed to provide for full functionality.
vi. Provide sufficient number of Data Manager Experts available to manage escalated calls between the hours of 8 AM and 5 PM PPT Monday through Friday, excluding CCA and SCE holidays ("Regular Business Hours").
vii. Ensure that a minimum of 80% of all calls will be answered within 60 seconds during Non-Enrollment Periods.
viii. 100% of voicemail messages answered within one (1) business day.
ix. 100% of emails receive an immediate automated acknowledgement.
x. Achieve a no greater than 10% abandon rate for all Non-Enrollment Period calls.
xi. Provide callers with the estimated hold time, if applicable. Provide an automated 'call back' option for callers who will be put on hold for an estimated five minutes or longer.
xii. Record all inbound calls and make recordings available to CCA staff upon request. Maintain an archive of such recorded calls for a minimum period of 24 months.
xiii. Manage call center to meet quality standards including:
    a. Use of appropriate greetings and other call center scripts
    b. Courtesy and professionalism
    c. Capturing key customer data
    d. Providing customers with correct and relevant information
    e. Accuracy in data entry and call coding
xiv. Evaluate customer satisfaction through voluntary customer surveys that ask general questions about call quality, call resolution, and how satisfied the customer was with the service received.
xv. Receive calls from CCA customers referred to CCAs by SCE and receive calls from CCA customers choosing to contact CCAs directly without referral from SCE.
xvi. Provide the call center number on SCE invoice allowing CCA customers to contact the call center. Request and/or confirm current email, mailing address and phone number of customers and add to or update database during inbound call.
xvii. Request permission (via voice recording, email request, or electronic form submittal) from customers to send electronic correspondence instead of printed mail.
xviii. Respond to telephone inquiries from CCA customers using a script developed and updated quarterly by CCA. For questions not addressed within the script, refer inquiries either back to SCE or to CCA.
xix. Respond to customer inquiries within 24 hours, excluding weekends and holidays, including inquiries received either through telephone calls, email, fax or web-portal.
xx. At CCA's request, participate in bi-annual meetings with SCE to discuss call center coordination issues.
xxi. Ensure monthly status reports are provided during the first week of each month.
xxii. Provide weekly status reports during Statutory Enrollment Periods.
xxiii. Use commercially reasonable efforts to make Spanish speaking call center staff available to customers.
xxiv. Provide translation services for inbound calls for the following languages: Spanish.

xxv. Create and maintain uniform forms for the CCA website so that customers may change their account status to enroll in or opt out of various CCA programs.
xxvi. Participate in CCA / DM Services Provider coordination meetings on a monthly basis.

e. Billing Administration:

i. Maintain a table of rate schedules offered by CCA to its customers.
ii. Apply SCE account usage for all CCA customers against applicable rate to allow for customer billing.
iii. Review application of CCA rates to SCE accounts to ensure that the proper rates are applied to the accounts.
iv. Timely submit billing information for each customer to SCE to meet SCE's billing window.
v. Use commercially reasonable efforts to remedy billing errors for any customer in a timely manner, no more than two billing cycles.
vi. Assist with annual settlement process for Net Energy Metering customers by identifying eligible customers, providing accrued charges and credits, and providing mailing list to CCA.
vii. Provide customer mailing list to CCA for new move-in customer notices and opt out confirmation letters routinely within 7 days of enrollment or opt out.
viii. Provide customer mailing list to CCA for customers whose payments are overdue.

f. Settlement Quality Meter Data Services:

i. DM Services Provider shall provide CCA or TEA with Settlement Quality Meter Data ("SQMD") as required from SC's by the California Independent System Operator ("CAISO").
ii. DM Services Provider shall obtain historical usage data for enrolled CCA customers, from SCE, and utilize for estimation in SQMD process. In the absence of current historical usage, CCA or TEA to provide DM Services Provider with usage received from Schedule CCA-INFO in order to calculate Default Usage. CCA will approve Default Usage.
iii. Upon TEA's request, DM Services Provider shall submit the SQMD directly to the CAISO.
iv. TEA agrees that DM Services Provider shall have no responsibility for any charges or penalties assessed by the CAISO associated with the SQMD under an indemnity or otherwise.
v. DM Services Provider shall prepare the SQMD in accordance with Prudent Utility Practice, however, DM Services Provider hereby disclaims in advance that any representation is made or intended that the SQMD is necessarily complete, or free from error.

g. Qualified Reporting Entity ("QRE") Services:

i. Consistent with terms and conditions included in a Qualified Reporting Entity Services Agreement(s) between TEA and DM Service Provider, serve as QRE for up to five (5) locally situated, small-scale renewable generators supplying electric

energy to CCA through its feed-in tariff (FIT) per CCA.

ii. Submit a monthly generation extract file to the Western Renewable Energy Generation Information System ("WREGIS") on CCA's behalf, which will conform to the characteristics and data requirements set forth in the WREGIS Interface Control Document for Qualified Reporting Entities.

iii. DM Services Provider shall receive applicable electric meter data from SCE for CCA FIT projects, consistent with SCE's applicable meter servicing agreement, and shall provide such data to CCA for purposes of performance tracking and invoice creation.

h. Reporting:

i. DM Services Provider Shall include the following reports, frequency and delivery methods:

Report	**Frequency**	**Delivery Method**
Aging	Weekly, Monthly	SFTP
Call Center Statistics	Weekly, Monthly	Email
Cash Receipts	Weekly, Monthly	SFTP
Invoice Summary Report	Weekly, Monthly	SFTP
Days To Invoice	Weekly, Monthly	SFTP
Program Opt Up with Address	Weekly, Monthly	SFTP
Utility User Tax where applicable	Monthly	Email
Invoice Summary Report	Weekly, Monthly	SFTP
Monthly Transaction Summary	Monthly	Email
Opt Out with Rate Class	Ad hoc	CRM
Retroactive Returns	Monthly	Email
Sent to Collections	Monthly	Email
Customer Account Snapshot	Ad hoc	CRM
Customer Account Snapshot with Addresses	Ad hoc	CRM
Unbilled Usage	Monthly	SFTP
Full Volume Usage by Rate Class	Monthly	SFTP

ii. DM Services Provider shall assist CCA, as needed, in compiling customer statistics that may be necessary to facilitate requisite external reporting activities by CCA.

iii. CCA shall host the SFTP server and DM Services Provider will electronically

transmit data files to the appropriate location as directed by CCA.

Section 3. Compensation for Services Provided in Task Order 3.

3.1 Commencing with the first month of CCA Service, DCE shall pay to TEA the following amounts as fees ("Service Fees") for the Services provided under Task Order 3, on a monthly basis, as follows:

a. $1.15 for each customer meter enrolled in the CCA Service up to and including 250,000 accounts;
b. $1.00 per month for each customer meter above 250,000 enrolled meters in CCA Service.

3.2 Unless otherwise agreed by the Parties, commencing with the first month of the first Term Extension, anticipated to be on January 1, 2023, the Service Fees under this Task Oder 3 will escalate annually at either the Consumer Price Index (CPI-U for the Los Angeles-Riverside-Orange County region), or 3%, whichever is lower.

Section 4. Pricing Assumptions.

The Service Fees defined in Section 3 of Task Order 3 include only the services and items expressly set forth in this Task Order 3. Unless otherwise agreed to by the Parties in an amendment to the Agreement or this Task Order 3, the cost of any additional deliverables provided by DM Services Provider for CCA shall be billed at a labor rate of $150.00 per hour plus any out-of-pocket costs incurred by DM Service Provider (without mark-up), provided, however, that such additional deliverables must be authorized in writing by DCE.

Section 5. Definitions.

Unless there is a conflict with the terms and conditions of the RMA, the definitions used for this Task Order 3 shall be as follows:

- "CCA" means Community Choice Aggregation program whereby a city, county or a joint powers agency whose governing board has elected to acquire their electric power needs and provide electric services to utility end-use customers located within their service area(s) as set forth in California Public Utilities Code Section 366.2 and other Commission directives.
- "CCA Service Request ("CCASR")" means requests in a form approved by SCE to change a CCA customer's, utility customer's or direct access customer's choice of services which could include returning a CCA customer to bundled utility service or direct access service.
- "SCE" is the local Utility Distribution Company.
- "Mass Enrollment" means the automatic enrollment of customers into a CCA program where new service is being offered for the first time to a group of eligible customers.
- "Meter Data Management Agent (MDMA) Services" means reading SCE's customers' meters, validating the meter reads, editing the meter reads if necessary and transferring the meter reading data to a server pursuant to SCE standards.
- "Prudent Utility Practice" means any of the practices, methods, techniques and standards (including those that would be implemented and followed by a prudent operator of similar generating facilities in the United States during the relevant time period) that, in the exercise of reasonable judgment in the light of the facts known at the time the decision was made, could reasonably have been expected

to accomplish the desired result, giving due regard to manufacturers' warranties and recommendations, contractual obligations, any governmental requirements or guidance, including CAISO, applicable laws, the requirements of insurers, good business practices, economy, efficiency, reliability, and safety. Prudent Utility Practice shall not be limited to the optimum practice, method, technique or standard to the exclusion of all others, but rather shall be a range of possible practices, methods, techniques or standards.

- "Statutory Enrollment Period" means three months prior to a Mass Enrollment, the month in which the Mass Enrollment occurs, and two billing cycles following Mass Enrollment. The Statutory Enrollment Period takes place over a six month period.
- "Default Usage" means the average monthly usage value, by rate schedule, used for estimation in the absence of actual historical usage data.

Section 6. Notices Related to Task Order 3.

All notice and other communications required under this Task Order 3 shall be in writing and may be delivered by hand delivery, United States mail, overnight courier service, facsimile, or email and shall be deemed to have been duly given (i) on the date of service, if served personally on the person to whom notice is to be given, (ii) on the date of service if sent by facsimile or email, provided the original is concurrently sent by first class mail, registered or certified, postage-prepaid, and provided that notices received by facsimile or email after 5:00 p.m. shall be deemed given on the next business day, (iii) on the next business day after deposit with a recognized overnight delivery service that renders a receipt on delivery (e.g. UPS, FedEx), (iv) on the third (3rd) day after mailing, if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage-prepaid, and properly addressed as follows:

If to DM Services Provider:
Calpine Energy Solutions, LLC
Attn: Legal Department
401 West A Street, Suite 500
San Diego, CA 92101
619-684-8251 (Phone)
619-684-8350 (Fax)

If to TEA:
The Energy Authority, Inc.
301 West Bay Street, Suite 2600
Jacksonville, Florida 32202
Attn: Daren L. Anderson
E-Mail: danderson@teainc.org

Section 7. Term and Termination of Task Order 3.

Section 7.1 Term of Task Order 3.

Services provided under this Task Order 3 shall commence on the Phase III Commencement Date (as defined in RMA Section 3.2) and shall continue until the end of the Initial Term (as defined in RMA Section 3.1). After the Initial Term, this Task Order 3 shall renew on an annual basis (each a "Renewal Term"), unless and until terminated pursuant to Section 7.2 herein.

Section 7.2 Termination.

Either Party may terminate this Task Order 3 by (i) providing notice of termination at least one hundred eighty (180) days prior to the end of the Initial Term or any Renewal Term for termination effective on the last day of such Renewal Term, or (ii) pursuant to the terms of RMA Section 4 ("Events of Termination").

Section 7.3 Consistency with RMA.

The term of Task Order 3 shall not exceed the termination or expiration of the RMA.

Section 8. Controlling Terms and Conditions.

The provisions of this Task Order 3 are subject to the Terms and Conditions of the RMA between the Parties. If any provisions of this Task Order 3 conflict with any provisions in the RMA, the provisions of the RMA shall take precedence. Capitalized terms found in this Task Order 3, and not defined herein, shall have the meaning assigned to such terms in the RMA.

Section 9. Expenses and Reimbursement.

Reasonable, actual out-of-pocket expenses for travel and participation in on-site meetings, authorized by DCE, will be reimbursed in addition to the compensation outlined in this Task Order 3. Travel costs such as airfare, hotel, ground transportation, per diem or meals (hereinafter, "Expenses") will be billed in the amount incurred by Calpine for actual out-of-pocket cost, without any additional mark-up. Any Expenses incurred shall be billed for the month in which the Expenses are incurred. Air travel will be purchased at coach class fares, with advance purchase discounted tickets used when scheduling permits. Expense reports detailing all Expenses, along with receipts, will be presented to DCE for reimbursement.

Section 10. Billing and Payments Information.

Section 10.1 Billing and Payments.

TEA will bill DCE on a monthly basis for the amount of Compensation owed pursuant to Section 3 of this Task Order 3, plus Expenses, if any. DCE shall pay each invoice for Compensation related to Services under this Task Order 3 the later of thirty (30) days after receiving the invoice from TEA or the first business day of the following month. DCE will send payment as designated in Section 10.2, or as otherwise designated by TEA. For the first month of operations, and until funds are first received by DCE from SCE into the Lock Box Account, then TEA shall give DCE a grace period of an additional thirty (30) days for the payment of Compensation by DCE. Billable hourly fees, if any, will be tracked and itemized for each month in which Services are performed under Task Order 3.

Section 10.2 Payment Information.

Unless otherwise provided by TEA, DCE will send payment either via electronic funds transfer to TEA's bank account or via U.S. mail to:

The Energy Authority, Inc.
301 W. Bay Street, Suite 2600
Jacksonville, Florida 32202
Attention: Lisa Bailey, Accounting

The Parties agree to cooperate to develop and supplement the procedures related to billing and payments for the orderly implementation Sections 3 and 10 herein; provided, however, that nothing herein shall require either Party to agree to an amendment to the terms of those sections.

Section 10.3 DCE Failure to Pay.

DCE's failure to make timely payments to TEA or fund amounts required in this Task Order 3 shall be considered a breach. In the event such breach is not cured within three (3) days following written notice by TEA, then DCE shall be in default (an "Event of Default"). Upon the occurrence of an Event of Default, TEA may, without waiving any other remedies:

(a) Apply any revenues or payments received by TEA for the benefit of DCE from any third party, if any, towards the outstanding amount owed to TEA;

(b) Apply any monies from security, including the Reserve Account or Lock Box Account, posted by DCE, towards the outstanding amount owed to TEA;

(c) Defer collection or provide an extension of outstanding amounts owed to TEA; and/or

(d) Terminate this Task Order 3 and all services provided for herein pursuant to the process outlined in RMA Section 25.2.

Section 10.4 Late Payments.

Any payment that is not received by TEA under this Task Order 3, on or before the date required, shall incur a late fee, which shall be calculated by multiplying the total undisputed outstanding balance by the lesser of (i) the Interest Rate (as described in RMA Section 11.2), or (ii) the maximum rate allowable by state law (the "Late Fee") for the number of days which the balance remains outstanding.

Section 11. Functions Performed by DCE.

Unless otherwise mutually agreed to by the Parties, activities not expressly provided for herein are considered not within the scope of services for Task Order 3 and shall be performed by DCE or other third party, unless otherwise addressed in a separate Task Order.

Section 12. Amendment.

This Task Order 3 may only be amended by an instrument in writing signed by each Party's authorized representative.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Task Order 3 to be executed in their respective names by their respective duly authorized representatives as of the date written in the first paragraph of this Task Order 3.

DESERT COMMUNITY ENERGY	**THE ENERGY AUTHORITY, INC.**
By:_____	By:_____
Name: _____	Name: Joanie C. Teofilo
Its: _____	Its: President and CEO
Date: _____	Date: _____

ATTEST:

By: _____

Name: _____

Its: _____

Date: _____

TEA Task Order 4 for
LEAN Energy US Services

TEA and DCE agree that the following terms and conditions constitute Task Order 4 for LEAN Services ("Task Order 4").

Section 1. Scope of Services.

Subject to the terms and conditions of the RMA, during the Term, TEA, via its sub-contractor, LEAN Energy US ("LEAN") shall provide to DCE certain services, as more particularly described in this Task Order 4.

Section 2. Description of Project Management and Market Services.

1. Implementation Services

LEAN will work with CVAG staff and other service providers to provide program advisory services including strategic and logistical support for the organizational start-up of Desert Clean Energy (DCE). Tasks under this scope area will include but are not limited to:

- Review of JPA Agreement, recommend amendments, and provide support for any other governance issues that may arise
- Review/update and track project implementation timeline to ensure that all project partners are completing their various tasks within identified timeframes
- Support local government outreach and information requests as needed
- Work with staff and Board to define program goals and objectives
- Support interview and selection process of local marketing firm
- Draft relevant DCE policies to guide operations and program administration
- Serve as a CCA information resource for DCE, working with CVAG staff and the DCE Board, responding to questions and research tasks as needed
- Review and assist with submission of DCE implementation Plan
- Assist staff with completion of utility forms including service agreement, et al
- Participate in weekly team calls and planning meetings as requested
- Handle any other requests or tasks as may be required by Client during DCE start up and launch phase.

2. Regulatory and Legislative Support

LEAN will collaborate with Cal-CCA, the statewide CCA trade association, and will engage, as necessary, the services of Braun Blaising Smith and Wynne, PC, to provide regulatory monitoring to DCE. Tasks under this scope will be provided, as needed, on a time and materials basis, including but not limited to:

- Regulatory tracking and preparation of a monthly Regulatory Memo that provides a detailed description and activity summary of key regulatory proceedings before the California Public Utilities Commission (CPUC).
- E-mails, phone calls, and action alerts to DCE staff regarding priority issues and recommended actions on regulatory actions or bill(s) before the CA legislature.
- Respond to regulatory or legislative questions/research as needed

3. Marketing and Communications

LEAN will engage Green Ideals, to provide, as necessary, marketing, branding, communications, collateral and web design, community outreach and customer noticing, as more particularly describe in the attached Exhibit A. LEAN will work in collaboration with Burke Rix Communications ("Burk Rix") to provide outreach services. Tasks under this section (Marketing and Communications) include, but are not limited to the following:

- Work in collaboration with local marketing firm to finalize communications and outreach strategy and identify specific task lists and budget(s)
- Design DCE logo, product branding and program style guide
- Website content and design
- Video content and design
- Support content development for program collateral and customer notifications
- Assist with content development for public outreach/advertising campaign
- Advise on customer noticing and mailing process, requirements and timelines

Support CVAG staff and local marketing firm with anything else related to program marketing and outreach functions

Section 3. Compensation for Services Provided in Task Order 4.

Section 3.1 DCE shall pay TEA the following amount as fees ("Service Fees") for the Services provided under Task Order 4, as follows:

- Costs for services provided by LEAN Energy US shall be billed on a time and materials basis, inclusive of 10% overhead costs, at the following 2018 rates:
  - Executive Director - $186 per hour.
  - Administrative Assistant – $60 per hour.

- Costs for the monthly regulatory memo shall be provided on a cost-share basis, not to exceed $1,000 per month. Additional, authorized, regulatory services provided by BBSW shall be billed on a time and materials basis at the following 2018 rates:
  - Senior Partner - $405 per hour.
  - Junior Partner - $335 per hour.
  - Senior Associates - $295 per hour.
  - Junior Associates - $265 per hour.

- Costs for services provided by Green Ideals shall be billed on a time and materials basis and shall not exceed a total of $85,375 during the Initial Term of this Task Order.

- Costs for services provided by Burke Rix shall be billed on a time and materials basis and shall not exceed $213,300 during the Initial Term of this Task Order.

For Compensation under this Section, LEAN, BBSW, Green Ideals, and Burke Rix shall each shall provide an itemized invoice which reflects the amount due and a description of the services performed on a monthly basis, unless the parties agree upon a different billing period or terms.

Section 3.2 Unless otherwise agreed by the Parties, commencing with the first month of the first Term Extension, anticipated to be on January 1, 2023, the Service Fees under this Task Order 4 will escalate annually at either the Consumer Price Index (CPI-U for the Los Angeles-Riverside-Orange County region), or 3%, whichever is lower.

Section 4. Pricing Assumptions.

The Service Fees defined in Section 3 of Task Order 4 include only the services and items expressly set forth in this Task Order 4. Unless otherwise agreed to by the Parties in an amendment to the Agreement or this Task Order 4, the cost of any additional deliverables provided by LEAN or BBSW for CCA services shall be billed at the labor rates outlined above, inclusive of agreed-upon CPI or percentage increase for work beyond 2018, plus out-of-pocket costs incurred by LEAN (without mark-up), provided, however, that such additional deliverables must be authorized in writing by DCE.

Section 5. Definitions.

Capitalized terms found in this Task Order 4 and not defined herein, shall have the meanings assigned to such terms in the RMA.

Section 6. Notices Related to Task Order 4.

All notice and other communications required under this Task Order 4 shall be in writing and may be delivered by hand delivery, United States mail, overnight courier service, facsimile, or email and shall be deemed to have been duly given (i) on the date of service, if served personally on the person to whom notice is to be given, (ii) on the date of service if sent by facsimile or email, provided the original is concurrently sent by first class mail, registered or certified, postage-prepaid, and provided that notices received by facsimile or email after 5:00 p.m. shall be deemed given on the next business day, (iii) on the next business day after deposit with a recognized overnight delivery service that renders a receipt on delivery (e.g. UPS, FedEx), (iv) on the third (3rd) day after mailing, if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage-prepaid, and properly addressed as follows:

If to LEAN:
LEAN Energy US
PO Box 961
Mill Valley, California 94941
Attn: Shawn Marshall, Executive Director
E-mail: shawnmarshall@leanenergyus.org

If to TEA:
The Energy Authority, Inc.
301 West Bay Street, Suite 2600
Jacksonville, Florida 32202
Attn: Daren L. Anderson
E-Mail: danderson@teainc.org

Section 7. Term and Termination of Task Order 4.

Section 7.1 Term of Task Order 4.

Services provided under this Task Order 4 shall commence on the Phase III Commencement Date (as defined in RMA Section 3.2) and shall continue until the end of the Initial Term (as defined in RMA

Section 3.1). After the Initial Term, this Task Order 4 shall renew on an annual basis (each a "Renewal Term"), unless and until terminated pursuant to Section 7.2 herein.

Section 7.2 Termination.

Either Party may terminate this Task Order 4 by (i) providing notice of termination at least one hundred eighty (180) days prior to the end of the Initial Term or any Renewal Term for termination effective on the last day of such Renewal Term, or (ii) pursuant to the terms of RMA Section 4 ("Events of Termination").

Section 7.3 Consistency with RMA.

The term of Task Order 4 shall not exceed the termination or expiration of the RMA.

Section 8. Controlling Terms and Conditions.

The provisions of this Task Order 4 are subject to the Terms and Conditions of the RMA between the Parties. If any provisions of this Task Order 4 conflict with any provisions in the RMA, the provisions of the RMA shall take precedence.

Section 9. Expenses and Reimbursement.

Reasonable, actual out-of-pocket expenses for travel and participation in on-site meetings, authorized by DCE, will be reimbursed in addition to the compensation outlined in this Task Order 4. Travel costs such as airfare, hotel, ground transportation, per diem or meals (hereinafter, "Expenses") will be billed in the amount incurred by LEAN for actual out-of-pocket cost, without any additional mark-up. Any Expenses incurred shall be billed for the month in which the Expenses are incurred. Air travel will be purchased at coach class fares, with advance purchase discounted tickets used when scheduling permits. Expense reports detailing all Expenses, along with receipts, will be presented to DCE for reimbursement.

Section 10. Billing and Payments Information.

Section 10.1 Billing and Payments.

TEA will bill DCE on a monthly basis for the amount of Compensation owed pursuant to Section 3 of this Task Order 4, plus Expenses, if any. DCE shall pay each invoice for Compensation related to Services under this Task Order 4 the later of thirty (30) days after receiving the invoice from TEA or the first business day of the following month. DCE will send payment as designated in Section 10.2, or as otherwise designated by TEA. For the first month of operations, and until funds are first received by DCE from SCE into the Lock Box Account, then TEA shall give DCE a grace period of an additional thirty (30) days for the payment of Compensation by DCE. Billable hourly fees, if any, will be tracked and itemized for each month in which Services are performed under Task Order 4.

Section 10.2 Payment Information.

Unless otherwise provided by TEA, DCE will send payment either via electronic funds transfer to TEA's bank account or via U.S. mail to:

The Energy Authority, Inc.
301 W. Bay Street, Suite 2600
Jacksonville, Florida 32202
Attention: Lisa Bailey, Accounting

The Parties agree to cooperate to develop and supplement the procedures related to billing and payments for the orderly implementation Sections 3 and 10 herein; provided, however, that nothing herein shall require either Party to agree to an amendment to the terms of those sections.

Section 10.3 DCE Failure to Pay.

DCE's failure to make timely payments to TEA or fund amounts required in this Task Order 4 shall be considered a breach. In the event such breach is not cured within three (3) days following written notice by TEA, then DCE shall be in default (an "Event of Default"). Upon the occurrence of an Event of Default, TEA may, without waiving any other remedies:

(a) Apply any revenues or payments received by TEA for the benefit of DCE from any third party, if any, towards the outstanding amount owed to TEA;

(b) Apply any monies from security, including the Reserve Account or Lock Box Account, posted by DCE, towards the outstanding amount owed to TEA;

(c) Defer collection or provide an extension of outstanding amounts owed to TEA; and/or

(d) Terminate this Task Order 4 and all services provided for herein pursuant to the process outlined in RMA Section 25.2.

Section 10.4 Late Payments.

Any payment that is not received by TEA under this Task Order 4, on or before the date required, shall incur a late fee, which shall be calculated by multiplying the total undisputed outstanding balance by the lesser of (i) the Interest Rate (as described in RMA Section 11.2), or (ii) the maximum rate allowable by state law (the "Late Fee") for the number of days which the balance remains outstanding.

Section 11. Functions Performed by DCE.

Unless otherwise mutually agreed to by the Parties, activities not expressly provided for herein are considered not within the scope of services for Task Order 4 and shall be performed by DCE or other third party, unless otherwise addressed in a separate Task Order.

Section 12. Amendment.

This Task Order 4 may only be amended by an instrument in writing signed by each Party's authorized representative.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Task Order 4 to be executed in their respective names by their respective duly authorized representatives as of the date written in the first paragraph of this Task Order 4.

DESERT COMMUNITY ENERGY	**THE ENERGY AUTHORITY, INC.**
By:_____	By:_____
Name: _____	Name: Joanie C. Teofilo
Its: _____	Its: President and CEO
Date: _____	Date: _____

ATTEST:

By: _____

Name: _____

Its: _____

Date: _____

TEA Task Order 5 for
IRP Services

TEA and DCE agree that the following terms and conditions constitute Task Order 5 for IRP Services ("Task Order 5").

Section 1. Scope of Services.

Subject to the terms and conditions of the RMA, during the Term, TEA, via its sub-contractor, MRW & Associates, LLC ("MRW") shall provide to DCE certain services, as more particularly described in this Task Order 5.

Section 2. Description of Integrated Resource Planning Services.

During the Term, TEA shall, provide the following the Services.

Integrated Resource Plan

- MRW will develop an integrated resource plan ("IRP") to plan the CCA's projected loads and identify a least-cost plan to meet those loads. MRW will first develop a load forecast of the CCA's or CCAs' load that extends to a 10-year study period. Included in this load forecast will be an analysis of the impacts of demand-side resource management including energy efficiency, distributed generation, and demand response.
- To estimate the best resource mix for the CCA, MRW will collect economic data from a variety of sources for conventional, wind and utility scale renewable resources. MRW will include local resource options that the DCE may wish to consider and/or acquire. Utilizing a levelized (lifecycle) cost of energy methodology, MRW will aggregate resource, regulatory, and market assumptions to model projected the DCE resource costs.
- MRW will also consider future market, political, and regulatory uncertainties, such as carbon pricing and amending state renewable portfolio standards that may affect resource planning decisions. MRW will project resource costs under a variety of market environments that simulate high, medium, and low annual hydro production, fuel and power prices, and market heat rates. Based on the above analysis MRW will present resource options that include costs and a discussion of the relative risk of each resource.
- Based on the above analysis, MRW will project portfolio options for DCE that include cost and a discussion of the relative risk of each respective option. MRW will work with the DCE to recommend portfolios that strive to achieve minimal levels of risk relative to cost, consistent with the DCE's renewable and GHG goals.

IRP Rulemaking Process

Senate Bill 350 the CPUC established a new Rulemaking (R.16-02-007) addressing the Integrated Resource Planning requirements of the statute. This Rulemaking is addressing: whether the IRP will be undertaken on a system-wide basis or to individual load serving entities (LSEs); required content of the IRPs; how to measure and enforce compliance; and how the IRPs relate to the GHG requirements. The

rulemaking states that the Commission will also address its cost allocation and competitiveness rules for CCAs. In May 2016, the Assigned Commissioner set the scope in this proceeding and provided a chronological sequence of activities without any specific dates. Generally, activities involve deciding on what models to use and what analysis is needed to provide statewide policy guidance.

The "IRP" developed under of this process may differ from the conventional utility IRP planning document. The IRP plans prepared for the CCA will meet requirements of the CPUC, as well as provide a planning document for the CCA to follow.

Deliverables and Estimated Schedule

1. **Kickoff meeting.**

MRW Staff will attend a meeting with appropriate TEA and DCE staff to map out the management and responsibility paths and refine the scope and schedule for the IRPs, upon a date to be mutually determined by the Parties.

2. **Data Review.**

MRW will work with TEA and DCE to gather data concerning potential resources to include in the IRP, including, but not limited to: forecast load; potential CCA-supported feed in tariffs for small renewables; compensation and incentivization of net-energy-metered resources; locally-sited renewable resources; remote renewable resources, fossil and other non-RPS compliant resources, other demand-side resources. Based on the cost and potential for the various resources, MRW will create a matrix of possible resources to be used in the IRP.

Estimated Completion Date: 8 weeks after kickoff meeting.

3. **Draft of IRP for Review.**

Based on the potential resources identified in Task 2, and in conjunction with TEA and DCE staff, MRW will draft a 10-year IRP. This draft will be reviewed by TEA and DCE staff and management.

Estimated Date: 8 weeks from the completion of Task 2.

4. **Working IRP for Planning.**

Based on the feedback from TEA and DCE, MRW will produce a "Working IRP" to serve as a guide for the CCA's procurement activities.

Estimated Date: 2 weeks from the receipt of TEA/DCE feedback in prior task.

5. **Monitoring of IRP Proceedings at the CPUC.**

MRW will monitor the ongoing IRP proceedings at the CPUC. MRW will provide periodic updates to TEA and DCE as to the proceedings status and what the CPUC will be expecting with respect to the required IRP submissions.

Ongoing from kickoff meeting.

6. **Draft IRP for CPUC Submission.**

Based on the Working IRP and the requirements set by the CPUC, MRW will prepare the IRP for submission to the CPUC.

Estimated Date: To be determined by the Parties, estimated to be in late 2018 or early 2019.

Section 3. Compensation for Services Provided in Task Order 5.

DCE shall pay the TEA following amounts as fees for the Services provided under Task Order 5, as follows:

Professional fees for this Task Order 5 are estimated to be in the total amount of total of $127,346 (the "Service Fees"), plus reasonable travel expenses, which will be billed on an hourly basis at the MRW professional rates and itemized on a monthly invoice as such Services are performed. TEA shall provide DCE such itemized invoices which reflect the amount and description of fees and expenses for Services performed. The MRW hourly rates for 2018 are as follows: $297 for principals, $247 for senior project managers, $194/$171 for senior associates, and $135 for associates.

Section 4. Pricing Assumptions.

The Service Fees defined in Section 3 of Task Order 5 include only the services and items expressly set forth in this Task Order 5. Unless otherwise agreed to by the Parties in an amendment to the Agreement or this Task Order 5, the cost of any additional deliverables provided by MRW for CCA shall be billed at a the MRW hourly rates, plus any out-of-pocket costs incurred by MRW (without mark-up), provided, however, that such additional deliverables must be authorized in writing by DCE.

Section 5. Definitions.

Capitalized terms found in this Task Order 5 and not defined herein, shall have the meanings assigned to such terms in the RMA.

Section 6. Notices Related to Task Order 5.

All notice and other communications required under this Task Order 5 shall be in writing and may be delivered by hand delivery, United States mail, overnight courier service, facsimile, or email and shall be deemed to have been duly given (i) on the date of service, if served personally on the person to whom notice is to be given, (ii) on the date of service if sent by facsimile or email, provided the original is concurrently sent by first class mail, registered or certified, postage-prepaid, and provided that notices received by facsimile or email after 5:00 p.m. shall be deemed given on the next business day, (iii) on the next business day after deposit with a recognized overnight delivery service that renders a receipt on delivery (e.g. UPS, FedEx), (iv) on the third (3rd) day after mailing, if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage-prepaid, and properly addressed as follows:

If to MRW: MRW & Associates, LLC
1814 Franklin Street, Suite 720
Oakland, California 94612
Attn: Mark E. Fulmer, Principal
E-mail: mef@mrwassoc.com

If to TEA: The Energy Authority, Inc.
301 West Bay Street, Suite 2600
Jacksonville, Florida 32202
Attn: Daren L. Anderson
E-Mail: danderson@teainc.org

Section 7. Term and Termination of Task Order 5.

Section 7.1 Term of Task Order 5.

Services provided under this Task Order 5 shall commence on the Phase III Commencement Date (as defined in RMA Section 3.2) and shall continue until the end of the Initial Term (as defined in RMA Section 3.1). After the Initial Term, this Task Order 5 shall renew on an annual basis (each a "Renewal Term"), unless and until terminated pursuant to Section 7.2 herein.

Section 7.2 Termination.

Either Party may terminate this Task Order 5 by (i) providing notice of termination at least one hundred eighty (180) days prior to the end of any the Initial Term or any Renewal Term for termination effective on the last day of such Renewal Term, or (ii) pursuant to the terms of RMA Section 4 ("Events of Termination").

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Section 9. Expenses and Reimbursement.

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Section 10.1 Billing and Payments.

TEA will bill DCE on a monthly basis for the amount of Compensation owed pursuant to Section 3 of this Task Order 5, plus Expenses, if any. DCE shall pay each invoice for Compensation related to Services under this Task Order 5 the later of thirty (30) days after receiving the invoice from TEA or the

first business day of the following month. DCE will send payment as designated in Section 10.2, or as otherwise designated by TEA. For the first month of operations, and until funds are first received by DCE from SCE into the Lock Box Account, then TEA shall give DCE a grace period of an additional thirty (30) days for the payment of Compensation by DCE. Billable hourly fees, if any, will be tracked and itemized for each month in which Services are performed under Task Order 5.

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The Energy Authority, Inc.
301 W. Bay Street, Suite 2600
Jacksonville, Florida 32202
Attention: Lisa Bailey, Accounting

The Parties agree to cooperate to develop and supplement the procedures related to billing and payments for the orderly implementation Sections 3 and 10 herein; provided, however, that nothing herein shall require either Party to agree to an amendment to the terms of those sections.

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(a) Apply any revenues or payments received by TEA for the benefit of DCE from any third party, if any, towards the outstanding amount owed to TEA;

(b) Apply any monies from security, including the Reserve Account or Lock Box Account, posted by DCE, towards the outstanding amount owed to TEA;

(c) Defer collection or provide an extension of outstanding amounts owed to TEA; and/or

(d) Terminate this Task Order 5 and all services provided for herein pursuant to the process outlined in RMA Section 25.2.

Section 10.4 Late Payments.

Any payment that is not received by TEA under this Task Order 5, on or before the date required, shall incur a late fee, which shall be calculated by multiplying the total undisputed outstanding balance by the lesser of (i) the Interest Rate (as described in RMA Section 11.2), or (ii) the maximum rate allowable by state law (the "Late Fee") for the number of days which the balance remains outstanding.

Section 11. Functions Performed by DCE.

Unless otherwise mutually agreed to by the Parties, activities not expressly provided for herein are considered not within the scope of services for Task Order 5 and shall be performed by DCE or other third party, unless otherwise addressed in a separate Task Order.

Section 12. Amendment.

This Task Order 5 may only be amended by an instrument in writing signed by each Party's authorized representative.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Task Order 5 to be executed in their respective names by their respective duly authorized representatives as of the date written in the first paragraph of this Task Order 5.

DESERT COMMUNITY ENERGYS	**THE ENERGY AUTHORITY, INC.**
By:_____	By:_____
Name: _____	Name: Joanie C. Teofilo
Its: _____	Its: President and CEO
Date: _____	Date: _____

ATTEST:

By: _____

Name: _____

Its: _____

Date: _____

ITEM 6C

DESERT COMMUNITY ENERGY

Board Meeting

January 22, 2018

Staff Report

Subject: Authorize Executive Director to Negotiate and Sign Agreements to Address Resource Adequacy Capacity

Contact: Tom Kirk, Executive Director, CVAG (tkirk@cvag.org)

Recommendation: Authorize Executive Director to enter into negotiations and sign agreements with Southern California Edison (SCE) or other entities to enable future acquisition of Resource Adequacy Capacity as needed to meet DCE's regulatory obligations.

Background: DCE must ensure sufficient generation capacity is available to reliably meet the electric needs of its customers. Under the state's Resource Adequacy program, all load serving entities must commit to making electric generators available for dispatch by the California Independent System Operator (CAISO). Resource Adequacy Capacity is a separate product from energy, and no entitlements to energy or other attributes are conveyed through the purchase of Resource Adequacy Capacity. The Resource Adequacy Capacity obligation is equivalent to 115% of the projected load serving entity's peak demand for each month. A portion of the total Resource Adequacy obligation must be met with Resource Adequacy Capacity meeting certain locational and operational attributes in order to support local area reliability and ensure that sufficient amounts of flexible generating units are available for dispatch by the CAISO.

CPUC staff proposed Draft Resolution E-4907 to address their concerns about ensuring that Resource Adequacy is provided during the period when new CCAs are launching. This concern focuses on ensuring that there is no cost shifting to customers who remain with SCE and other Investor-owned Utilities (IOUs). One alternative to Resolution E-4907 being proposed is for CCAs including DCE to be able to procure Resource Adequacy acquired by SCE on behalf of future CCA customers. Staff requests that the Board authorize the Executive Director to negotiate with SCE or other appropriate entities to purchase RA or identify other solutions to the "RA problem."

DCE needs to make month-ahead and year-ahead filings to the CPUC demonstrating its compliance with the Resource Adequacy program. DCE will comply with the Resource Adequacy program by submitting its load forecasts to the California Energy Commission. In turn, the CPUC issues DCE's Resource Adequacy Compliance obligations.

Authorizing the Executive Director to enter into negotiations and execute agreements will enable DCE to secure available Resource Adequacy Capacity at reasonable prices from SCE or other entities.

Fiscal Analysis: Purchase of Resource Adequacy will be an ongoing obligation of DCE. The funding for CCA operations, including RA purchase, will come from payment of utility bills by customers once the CCA launch occurs and we begin serving customers.

ITEM 6D

DESERT COMMUNITY ENERGY

Board Meeting

January 22, 2018

Staff Report

Subject: Authorize a Start-up Funding Agreement with Calpine Energy Solutions

Contact: Katie Barrows, Director of Environmental Resources, CVAG (kbarrows@cvag.org)

Recommendation: Authorize Executive Director to sign an agreement with Calpine Energy Solutions for start-up funding for Desert Community Energy during Implementation

Background: As part of the proposal submitted to DCE during the selection process for consultants to assist in the implementation of a CCA program, Calpine Energy Solutions included an offer to provide up to $500,000 to cover some of the start-up costs for a CCA program in the Coachella Valley. This funding will assist DCE with a successful launch, to be paid back with interest once it begins receiving revenues.

Desert Community Energy is a new entity which has not yet established credit and will not have cash flow until we being providing electricity to customers and receiving revenue. The Calpine offer will provide the funds necessary to launch and meet the minimum requirements for a CCA under the law.

The $500,000 will be used for necessary start-up expenses as authorized by the Executive Director, primarily for the following tasks:

- Community Outreach and Branding consultant services
- Design, printing, and mailing of four required opt-out notices to CCA customers

Staff requests that Board approve the recommendation to give the Executive Director the authority to sign an agreement with Calpine Energy Solutions to have access to this start-up funding for DCE during Implementation.

Fiscal Analysis: The funding for CCA operations will come from payment of utility bills by customers once the CCA launch occurs and we begin serving customers. The $500,000 in start-up funding provided by Calpine (paid back at a 5% interest rate) will be used to cover necessary start-up expenses until a revenue stream is established. The agreement with Calpine will provide a repayment schedule once the revenue stream is established and DCE begins to build reserves,

ITEM 7.1

Desert Community Energy
Attendance Roster
2017

First Board Meeting convened on October 30, 2017

Jurisdictions									
	Jan	**Feb**	**April**	**May**	**June**	**Sept**	**Oct.**	**Nov**	**Dec**
Cathedral City (v)							x		x
Desert Hot Springs (a)							x[1]		x
Palm Desert (a)							x		x
Palm Springs (v)							x		x

(v) = Voting member in attendance

(a) = Advisory member

x[1] = Arrived after Roll Call

= Member Absent

ITEM 7.2

DESERT COMMUNITY ENERGY
Board Meeting Dates - 2018

Meeting Time: 2:30 p.m.
Location: Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200, Palm Desert – Phone: 760.346.1127

Fourth Monday (due to holidays)

January 22

February 26

Remaining dates are third Monday

March 19

April 16

May 21

June 18

July 16

August - DARK

September 17

October 15

November 19

December 17